

COMMONWEALTH OF KENTUCKY
BEFORE THE PUBLIC SERVICE COMMISSION

RECEIVED
JAN 29 2010
PUBLIC SERVICE
COMMISSION

In the Matter of:

APPLICATION OF LOUISVILLE GAS)
AND ELECTRIC COMPANY FOR AN)
ADJUSTMENT OF ITS ELECTRIC)
AND GAS BASE RATES)

CASE NO. 2009-00549

VOLUME 3 OF 5

RESPONSE TO FILING REQUIREMENTS listed in 807 KAR 5:001 SECTION 10(6)(r)
through 807 KAR 5:001 SECTION 10(7)(e)

Filed: January 29, 2010

Louisville Gas and Electric Company
Case No. 2009-00549
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2	Response to Filing Requirements listed in 807 KAR 5:001 Section 10(6)(l) through 807 KAR 5:001 Section 10(6)(q)
3	Response to Filing Requirements listed in 807 KAR 5:001 Section 10(6)(r) through 807 KAR 5:001 Section 10(7)(e)
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Vol. No.	Tab No.	Filing Requirement	Description	Sponsoring Witness
1	1	807 KAR 5:001 Section 10(1)(a)1	<i>A statement of the reason the adjustment is required.</i>	Mr. Bellar
1	2	807 KAR 5:001 Section 10(1)(a)2	<i>A statement that the utility's annual reports, including the annual report for the most recent calendar year, are on file with the Commission in accordance with 807 KAR 5:006, Section 3(1).</i>	Mr. Bellar
1	3	807 KAR 5:001 Section 10(1)(a)3	<i>If the utility is incorporated, a certified copy of the utility's articles of incorporation and all amendments thereto or all out-of-state documents of similar import. If the utility's articles of incorporation and amendments have already been filed with the commission in a prior proceeding, the application may state this fact making reference to the style and case number of the prior proceeding.</i>	Mr. Bellar
1	4	807 KAR 5:001 Section 10(1)(a)4	<i>If the utility is a limited partnership, a certified copy of the limited partnership agreement and all amendments thereto or all out-of-state documents of similar import. If the utility's limited partnership agreement and amendments have already been filed with the commission in a prior proceeding, the application may state this fact making reference to the style and case number of the prior proceeding.</i>	Mr. Bellar
1	5	807 KAR 5:001 Section 10(1)(a)5	<i>If the utility is incorporated or is a limited partnership, a certificate of good standing or certificate of authorization dated within sixty (60) days of the date the application is filed.</i>	Mr. Bellar
1	6	807 KAR 5:001 Section 10(1)(a)6	<i>A certified copy of a certificate of assumed name as required by KRS 365.015 or a statement that such a certificate is not necessary.</i>	Mr. Bellar
1	7	807 KAR 5:001 Section 10(1)(a)7	<i>The proposed tariff in a form which complies with 807 KAR 5:011 with an effective date not less than thirty (30) days from the date the application is filed.</i>	Mr. Bellar
1	8	807 KAR 5:001 Section 10(1)(a)8	<i>The utility's proposed tariff changes, identified in compliance with 807 KAR 5:011, shown either by: (a) Providing the present and proposed tariffs in comparative form on the same sheet side by side; or, (b) Providing a copy of the present tariff indicating proposed additions by italicized inserts or underscoring and striking over proposed deletions.</i>	Mr. Bellar
1	9	807 KAR 5:001 Section 10(1)(a)9	<i>A statement that customer notice has been given in compliance with subsections (3) and (4) of this section with a copy of the notice.</i>	Mr. Bellar

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Vol. No.	Tab No.	Filing Requirement	Description	Sponsoring Witness
1	10	807 KAR 5:001 Section 10(2)	<p><i>Notice of Intent. Utilities with gross annual revenues greater than \$1,000,000 shall file with the commission a written notice of intent to file a rate application at least four (4) weeks prior to filing their application. The notice of intent shall state whether the rate application shall be supported by a historical test period or a fully forecasted test period. This notice shall be served upon the Attorney General, Utility Intervention and Rate Division.</i></p>	Mr. Bellar
1	11	807 KAR 5:001 Section 10(3)	<p><i>Form of notice to customers. Every utility filing an application pursuant to this section shall notify all affected customers in the manner prescribed herein. The notice shall include the following information: (a) The amount of the change requested in both dollar amounts and percentage change for each customer and the proposed rates for each customer class to which the proposed rates would apply; (c) Electric, gas, water and sewer utilities shall include the effect upon the average bill for each customer class to which the proposed rate change will apply; (d) Local exchange companies shall include the effect upon the average bill for each customer class for the proposed rate change in basic local service; (e) A statement that the rates contained in this notice are the rates proposed by (name of utility); however, the Public Service Commission may order rates to be charged that differ from the proposed rates contained in this notice; (f) A statement that any corporation, association, or person with a substantial interest in the matter may, by written request, within thirty (30) days after publication or mailing of this notice of the proposed rate changes request to intervene; intervention may be granted beyond the thirty (30) day period for good cause shown; (g) A statement that any person who has been granted intervention by the commission may obtain copies of the rate application and any other filings made by the utility by contacting the utility through a name and address and phone number stated in this notice; (h) A statement that any person may examine the rate application and any other filings made by the utility at the main office of the utility or at the commission's office indicating the addresses and telephone numbers of both the utility and the commission; and (i) The commission may grant a utility with annual gross revenues greater than \$1,000,000, upon written request, permission to use an abbreviated form of published notice of the proposed rates provided the notice includes a coupon which may be used to obtain all of the information required herein.</i></p>	Mr. Bellar

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Vol. No.	Tab No.	Filing Requirement	Description	Sponsoring Witness
1	12	807 KAR 5:001 Section 10(4)(a)	<i>Manner of notification. Sewer utilities shall give the required typewritten notice by mail to all of their customers pursuant to KRS 278.185.</i>	Mr. Bellar
1	13	807 KAR 5:001 Section 10(4)(b)	<i>Manner of notification. Applicants with twenty (20) or fewer customers affected by the proposed general rate adjustment shall mail the required typewritten notice to each customer no later than the date the application is filed with the commission.</i>	Mr. Bellar
1	14	807 KAR 5:001 Section 10(4)(c)	<i>Manner of notification. Except for sewer utilities, applicants with more than twenty (20) customers affected by the proposed general rate adjustment shall give the required notice by one (1) of the following methods: 1. A typewritten notice mailed to all customers no later than the date the application is filed with the commission; 2. Publishing the notice in a trade publication or newsletter which is mailed to all customers no later than the date on which the application is filed with the commission; or 3. Publishing the notice once a week for three (3) consecutive weeks in a prominent manner in a newspaper of general circulation in the utility's service area, the first publication to be made within seven (7) days of the filing of the application with the commission.</i>	Mr. Bellar
1	15	807 KAR 5:001 Section 10(4)(d)	<i>Manner of notification. If the notice is published, an affidavit from the publisher verifying the notice was published, including the dates of the publication with an attached copy of the published notice, shall be filed with the commission no later than forty-five (45) days of the filed date of the application.</i>	Mr. Bellar
1	16	807 KAR 5:001 Section 10(4)(e)	<i>Manner of notification. If the notice is mailed, a written statement signed by the utility's chief officer in charge of Kentucky operations verifying the notice was mailed shall be filed with the commission no later than thirty (30) days of the filed date of the application.</i>	Mr. Bellar
1	17	807 KAR 5:001 Section 10(4)(f)	<i>Manner of notification. All utilities, in addition to the above notification, shall post a sample copy of the required notification at their place of business no later than the date on which the application is filed which shall remain posted until the commission has finally determined the utility's rates.</i>	Mr. Bellar
1	18	807 KAR 5:001 Section 10(4)(g)	<i>Manner of notification. Compliance with this subsection shall constitute compliance with 807 KAR 5:051, Section 2.</i>	Mr. Bellar
1	19	807 KAR 5:001 Section 10(5)	<i>Notice of hearing scheduled by the commission upon application by a utility for a general adjustment in rates shall be advertised by the utility by newspaper publication in the areas that will be affected in compliance with KRS 424.300</i>	Mr. Bellar

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Vol. No.	Tab No.	Filing Requirement	Description	Sponsoring Witness
1	20	807 KAR 5:001 Section 10(6)(a)	<i>A complete description and quantified explanation for all proposed adjustments, with proper support for any proposed changes in price or activity levels, and any other factors which may affect the adjustment.</i>	Mr. Rives
1	21	807 KAR 5:001 Section 10(6)(b)	<i>If the utility has gross annual revenues greater than \$1,000,000, the prepared testimony of each witness the utility proposes to use to support its application.</i>	Mr. Bellar
1	22	807 KAR 5:001 Section 10(6)(c)	<i>If the utility has gross annual revenues less than \$1,000,000, the prepared testimony of each witness the utility proposes to use to support its application or a statement that the utility does not plan to submit any prepared testimony.</i>	Mr. Rives
1	23	807 KAR 5:001 Section 10(6)(d)	<i>A statement estimating the effect that the new rates will have upon the revenues of the utility including, at minimum, the total amount of revenues resulting from the increase or decrease and the percentage of the increase or decrease.</i>	Mr. Conroy
1	24	807 KAR 5:001 Section 10(6)(e)	<i>If the utility provides electric, gas, water, or sewer service the effect upon the average bill for each customer classification to which the proposed rate change will apply.</i>	Mr. Conroy
1	25	807 KAR 5:001 Section 10(6)(f)	<i>If the utility is a local exchange company, the effect upon the average bill for each customer class for the proposed rate change in basic local service.</i>	Mr. Bellar
1	26	807 KAR 5:001 Section 10(6)(g)	<i>An analysis of customers' bills in such detail that revenues from the present and proposed rates can be readily determined for each customer class.</i>	Mr. Conroy
1	27	807 KAR 5:001 Section 10(6)(h)	<i>A summary of the utility's determination of its revenue requirements based on return on net investment rate base, return on capitalization, interest coverage, debt service coverage, or operating ratio, with supporting schedules.</i>	Mr. Rives
1	28	807 KAR 5:001 Section 10(6)(i)	<i>A reconciliation of the rate base and capital used to determine its revenue requirement.</i>	Mr. Rives
1	29	807 KAR 5:001 Section 10(6)(j)	<i>A current chart of accounts if more detailed than the Uniform System of Accounts prescribed by the commission.</i>	Ms. Charnas
1	30	807 KAR 5:001 Section 10(6)(k)	<i>The independent auditor's annual opinion report, with any written communication from the independent auditor to the utility which indicates the existence of a material weakness in the utility's internal controls.</i>	Mr. Rives
2	31	807 KAR 5:001 Section 10(6)(l)	<i>The most recent Federal Energy Regulatory Commission or Federal Communication Commission audit reports.</i>	Ms. Scott

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2	32	807 KAR 5:001 Section 10(6)(m)	<i>The most recent Federal Energy Regulatory Commission Form 1 (electric), Federal Energy Regulatory Commission Form 2 (gas), or Automated Reporting Management Information System Report (telephone) and Public Service Commission Form T (telephone);</i>	Ms. Scott
2	33	807 KAR 5:001 Section 10(6)(n)	<i>A summary of the utility's latest depreciation study with schedules by major plant accounts, except that telecommunications utilities that have adopted the commission's average depreciation rates shall provide a schedule that identifies the current and test period depreciation rates used by major plant accounts. If the required information has been filed in another commission case a reference to that case's number and style will be sufficient.</i>	Ms. Charnas
2	34	807 KAR 5:001 Section 10(6)(o)	<i>A list of all commercially available or in-house developed computer software, programs, and models used in the development of the schedules and work papers associated with the filing of the utility's application. This list shall include each software, program, or model; what the software, program, or model was used for; identify the supplier of each software, program, or model; a brief description of the software, program, or model; the specifications for the computer hardware and the operating system required to run the program.</i>	Ms. Scott
2	35	807 KAR 5:001 Section 10(6)(p)	<i>Prospectuses of the most recent stock or bond offerings.</i>	Mr. Rives
2	36	807 KAR 5:001 Section 10(6)(q)	<i>Annual report to shareholders, or members, and statistical supplements covering the two (2) most recent years from the utility's application filing date.</i>	Mr. Rives
3	37	807 KAR 5:001 Section 10(6)(r)	<i>The monthly managerial reports providing financial results of operations for the twelve (12) months in the test period.</i>	Ms. Scott
3	38	807 KAR 5:001 Section 10(6)(s)	<i>Securities and Exchange Commission's annual report for the most recent two (2) years, Form 10-Ks and any Form 8-Ks issued within the past two (2) years, and Form 10-Qs issued during the past six (6) quarters updated as current information becomes available.</i>	Mr. Rives

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3	39	807 KAR 5:001 Section 10(6)(t)	<i>If the utility had any amounts charged or allocated to it by an affiliate or general or home office or paid any monies to an affiliate or general or home office during the test period or during the previous three (3) calendar years, the utility shall file: 1. A detailed description of the method and amounts allocated or charged to the utility by the affiliate or general or home office for each charge allocation or payment; 2. An explanation of how the allocator for the test period was determined; and 3. All facts relied upon, including other regulatory approval, to demonstrate that each amount charged, allocated or paid during the test period was reasonable;</i>	Ms. Scott
3	40	807 KAR 5:001 Section 10(6)(u)	<i>If the utility provides gas, electric or water utility service and has annual gross revenues greater than \$5,000,000, a cost of service study based on a methodology generally accepted within the industry and based on current and reliable data from a single time period.</i>	Mr. Seelye
3	41	807 KAR 5:001 Section 10(6)(v)	<i>Local exchange carriers with fewer than 50,000 access lines shall not be required to file cost of service studies, except as specifically directed by the commission. Local exchange carriers with more than 50,000 access lines shall file: 1. A jurisdictional separations study consistent with Part 36 of the Federal Communications Commission's rules and regulations; and 2. Service specific cost studies to support the pricing of all services that generate annual revenue greater than \$1,000,000, except local exchange access: a. Based on current and reliable data from a single time period; and b. Using generally recognized fully allocated, embedded, or incremental cost principles.</i>	Mr. Bellar
3	42	807 KAR 5:001 Section 10(7)(a)	<i>Upon good cause shown, a utility may request pro forma adjustments for known and measurable changes to ensure fair, just and reasonable rates based on the historical test period. The following information shall be filed with applications requesting pro forma adjustments or a statement explaining why the required information does not exist and is not applicable to the utility's application: (a) A detailed income statement and balance sheet reflecting the impact of all proposed adjustments;</i>	Ms. Scott

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3	43	807 KAR 5:001 Section 10(7)(b)	<i>Upon good cause shown, a utility may request pro forma adjustments for known and measurable changes to ensure fair, just and reasonable rates based on the historical test period. The following information shall be filed with applications requesting pro forma adjustments or a statement explaining why the required information does not exist and is not applicable to the utility's application: (b) The most recent capital construction budget containing at least the period of time as proposed for any pro forma adjustment for plant additions.</i>	Ms. Charnas
3	44	807 KAR 5:001 Section 10(7)(c)	<i>Upon good cause shown, a utility may request pro forma adjustments for known and measurable changes to ensure fair, just and reasonable rates based on the historical test period. The following information shall be filed with applications requesting pro forma adjustments or a statement explaining why the required information does not exist and is not applicable to the utility's application: (c) For each proposed pro forma adjustment reflecting plant additions provide the following information: 1. The starting date of the construction of each major component of plant; 2. The proposed in-service date; 3. The total estimated cost of construction at completion; 4. The amount contained in construction work in progress at the end of the test period; 5. A schedule containing a complete description of actual plant retirements and anticipated plant retirements related to the pro forma plant additions including the actual or anticipated date of retirement; 6. The original cost, cost of removal and salvage for each component of plant to be retired during the period of the proposed pro forma adjustment for plant additions; 7. An explanation of any differences in the amounts contained in the capital construction budget and the amounts of capital construction cost contained in the pro forma adjustment period; and 8. The impact on depreciation expense of all proposed pro forma adjustments for plant additions and retirements;</i>	Ms. Charnas
3	45	807 KAR 5:001 Section 10(7)(d)	<i>Upon good cause shown, a utility may request pro forma adjustments for known and measurable changes to ensure fair, just and reasonable rates based on the historical test period. The following information shall be filed with applications requesting pro forma adjustments or a statement explaining why the required information does not exist and is not applicable to the utility's application: (d) The operating budget for each period encompassing the pro forma adjustments.</i>	Ms. Scott

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3	46	807 KAR 5:001 Section 10(7)(e)	<i>Upon good cause shown, a utility may request pro forma adjustments for known and measurable changes to ensure fair, just and reasonable rates based on the historical test period. The following information shall be filed with applications requesting pro forma adjustments or a statement explaining why the required information does not exist and is not applicable to the utility's application: (e) The number of customers to be added to the test period-end level of customers and the related revenue requirements impact for all pro forma adjustments with complete details and supporting work papers.</i>	Mr. Seelye

**Louisville Gas and Electric Company
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**Filing Requirement
807 KAR 5:001 Section 10(6)(r)
Sponsoring Witness: Valerie L. Scott**

Description of Filing Requirement:

The monthly managerial reports providing financial results of operations for the twelve (12) months in the test period.

Response:

See attached.

LG&E Monthly Report to KPSC – October 31, 2009

LOUISVILLE GAS AND ELECTRIC COMPANY

Financial Reports

October 31, 2009

Prepared by Regulatory Accounting and Reporting

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Financial and Operating Reports

Louisville Gas and Electric Company
September 30, 2009

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Louisville Gas and Electric Company
Comparative Statement of Income
October 31, 2009

	Current Month		
	This Year Amount	Last Year Amount	Increase or Decrease Amount %
Electric Operating Revenues.....	65,998,598.05	86,455,806.68	(20,457,208.63) (23.66)
Gas Operating Revenues.....	15,718,676.81	31,916,119.18	(16,197,442.37) (50.75)
Total Operating Revenues.....	81,717,274.86	118,371,925.86	(36,654,651.00) (30.97)
Fuel for Electric Generation.....	21,660,170.57	25,692,187.38	(4,032,016.81) (15.69)
Power Purchased.....	5,058,084.23	15,296,448.12	(10,238,363.89) (66.93)
Gas Supply Expenses.....	8,937,260.98	24,954,697.64	(16,017,436.66) (64.19)
Other Operation Expenses.....	17,481,299.04	18,862,427.92	(1,381,128.88) (7.32)
Maintenance.....	9,845,631.20	8,900,733.23	944,897.97 10.62
Depreciation.....	10,892,832.31	10,350,534.03	542,298.28 5.24
Amortization Expense.....	702,905.99	523,556.02	179,349.97 34.26
Regulatory Credits.....	(183,079.71)	(174,959.43)	(8,120.28) (4.64)
Taxes			
Federal Income.....	(665,135.75)	3,150,246.69	(3,815,382.44) (121.11)
State Income.....	571,978.53	600,046.98	(28,068.45) (4.68)
Deferred Federal Income - Net.....	330,193.20	-	330,193.20 100.00
Deferred State Income - Net.....	(215,377.31)	-	(215,377.31) (100.00)
Property and Other.....	1,111,722.07	2,022,468.74	(910,746.67) (45.03)
Investment Tax Credit.....	351,718.67	-	351,718.67 100.00
Amortization of Investment Tax Credit.....	(254,733.24)	(281,527.23)	26,793.99 9.52
Loss (Gain) from Disposition of Allowances.....	-	-	- -
Accretion Expense.....	164,054.33	160,204.81	3,849.52 2.40
Total Operating Expenses.....	75,789,525.11	110,057,064.90	(34,267,539.79) (31.14)
Net Operating Income.....	5,927,749.75	8,314,860.96	(2,387,111.21) (28.71)
Other Income Less Deductions.....	3,075,300.87	(2,391,144.18)	5,466,445.05 228.61
Income Before Interest Charges.....	9,003,050.62	5,923,716.78	3,079,333.84 51.98
Interest on Long-term Debt.....	3,916,239.59	2,948,120.86	968,118.73 32.84
Amortization of Debt Expense - Net.....	(11,570.06)	121,561.29	(133,131.35) (109.52)
Other Interest Expenses.....	113,167.10	2,285,577.27	(2,172,410.17) (95.05)
Total Interest Charges.....	4,017,836.63	5,355,259.42	(1,337,422.79) (24.97)
Net Income.....	4,985,213.99	568,457.36	4,416,756.63 776.97

November 20, 2009

Louisville Gas and Electric Company
Comparative Statement of Income
October 31, 2009

	Year to Date		
	This Year	Last Year	Increase or Decrease
	Amount	Amount	Amount %
Electric Operating Revenues.....	777,501,858.65	833,964,446.08	(56,462,587.43) (6.77)
Gas Operating Revenues.....	291,648,461.91	331,123,296.09	(39,474,834.18) (11.92)
Total Operating Revenues.....	<u>1,069,150,320.56</u>	<u>1,165,087,742.17</u>	<u>(95,937,421.61)</u> (8.23)
Fuel for Electric Generation.....	278,198,971.48	282,058,849.17	(3,859,877.69) (1.37)
Power Purchased.....	48,107,498.23	88,395,389.41	(40,287,891.18) (45.58)
Gas Supply Expenses.....	203,255,129.56	252,520,172.57	(49,265,043.01) (19.51)
Other Operation Expenses.....	182,508,777.21	163,845,896.67	18,662,880.54 11.39
Maintenance.....	76,440,498.25	96,099,644.12	(19,659,145.87) (20.46)
Depreciation.....	107,099,008.16	100,966,184.18	6,132,823.98 6.07
Amortization Expense.....	6,549,248.67	4,826,609.71	1,722,638.96 35.69
Regulatory Credits.....	(1,849,494.60)	(1,714,292.68)	(135,201.92) (7.89)
Taxes			
Federal Income.....	7,435,947.12	22,496,221.88	(15,060,274.76) (66.95)
State Income.....	3,145,559.43	923,162.94	2,222,396.49 240.74
Deferred Federal Income - Net.....	33,482,234.27	9,715,363.07	23,766,871.20 244.63
Deferred State Income - Net.....	3,661,691.15	1,309,804.01	2,351,887.14 179.56
Property and Other.....	21,146,912.02	20,716,141.86	430,770.16 2.08
Investment Tax Credit.....	2,945,908.65	6,167,028.00	(3,221,119.35) (52.23)
Amortization of Investment Tax Credit.....	(2,547,332.52)	(3,225,766.71)	678,434.19 21.03
Loss (Gain) from Disposition of Allowances.....	(66,274.06)	(456,254.88)	389,980.82 85.47
Accretion Expense.....	1,643,106.39	1,566,749.34	76,357.05 4.87
Total Operating Expenses.....	<u>971,157,389.41</u>	<u>1,046,210,902.66</u>	<u>(75,053,513.25)</u> (7.17)
Net Operating Income.....	97,992,931.15	118,876,839.51	(20,883,908.36) (17.57)
Other Income Less Deductions.....	23,276,081.06	(411,134.12)	23,687,215.18 5,761.43
Income Before Interest Charges.....	<u>121,269,012.21</u>	<u>118,465,705.39</u>	<u>2,803,306.82</u> 2.37
Interest on Long-term Debt.....	36,958,273.87	36,896,325.49	61,948.38 0.17
Amortization of Debt Expense - Net.....	1,104,922.45	1,211,424.95	(106,502.50) (8.79)
Other Interest Expenses.....	2,115,863.41	6,906,955.94	(4,791,092.53) (69.37)
Total Interest Charges.....	<u>40,179,059.73</u>	<u>45,014,706.38</u>	<u>(4,835,646.65)</u> (10.74)
Net Income.....	<u>81,089,952.48</u>	<u>73,450,999.01</u>	<u>7,638,953.47</u> 10.40

November 20, 2009

Louisville Gas and Electric Company
Comparative Statement of Income
October 31, 2009

	Year Ended Current Month			Increase or Decrease Amount	%
	This Year	Last Year			
	Amount	Amount			
Electric Operating Revenues.....	958,491,752.86	977,803,042.68	(19,311,289.82)	(1.98)	
Gas Operating Revenues.....	418,890,258.90	426,727,077.57	(7,836,818.67)	(1.84)	
Total Operating Revenues.....	<u>1,377,382,011.76</u>	<u>1,404,530,120.25</u>	<u>(27,148,108.49)</u>	<u>(1.93)</u>	
Fuel for Electric Generation.....	340,676,856.76	331,389,964.38	9,286,892.38	2.80	
Power Purchased.....	77,619,641.16	103,849,115.16	(26,229,474.00)	(25.26)	
Gas Supply Expenses.....	303,885,590.97	323,573,233.25	(19,687,642.28)	(6.08)	
Other Operation Expenses.....	212,730,669.70	194,551,406.64	18,179,263.06	9.34	
Maintenance.....	74,866,698.69	113,940,014.81	(39,073,316.12)	(34.29)	
Depreciation.....	127,484,728.13	121,105,575.91	6,379,152.22	5.27	
Amortization Expense.....	7,603,040.70	5,798,933.25	1,804,107.45	31.11	
Regulatory Credits.....	(2,201,814.17)	(2,040,346.58)	(161,467.59)	(7.91)	
Taxes					
Federal Income.....	24,983,134.92	21,156,966.56	3,826,168.36	18.08	
State Income.....	6,504,820.88	511,528.65	5,993,292.23	1,171.64	
Deferred Federal Income - Net.....	21,501,754.89	16,562,850.08	4,938,904.81	29.82	
Deferred State Income - Net.....	(141,608.50)	2,102,217.53	(2,243,826.03)	(106.74)	
Property and Other.....	24,387,842.51	23,531,521.79	856,320.72	3.64	
Investment Tax Credit.....	4,899,908.65	6,367,028.00	(1,467,119.35)	(23.04)	
Amortization of Investment Tax Credit.....	(3,192,485.88)	(3,877,981.80)	685,495.92	17.68	
Loss (Gain) from Disposition of Allowances.....	(66,274.06)	(456,254.88)	389,980.82	85.47	
Accretion Expense.....	1,965,916.72	1,863,431.60	102,485.12	5.50	
Total Operating Expenses.....	<u>1,223,508,422.07</u>	<u>1,259,929,204.35</u>	<u>(36,420,782.28)</u>	<u>(2.89)</u>	
Net Operating Income.....	153,873,589.69	144,600,915.90	9,272,673.79	6.41	
Other Income Less Deductions.....	(7,531,544.96)	(212,286.17)	(7,319,258.79)	(3,447.83)	
Income Before Interest Charges.....	146,342,044.73	144,388,629.73	1,953,415.00	1.35	
Interest on Long-term Debt.....	43,172,319.81	44,492,745.75	(1,320,425.94)	(2.97)	
Amortization of Debt Expense - Net.....	1,479,123.77	1,452,766.11	26,357.66	1.81	
Other Interest Expenses.....	3,851,366.69	7,935,103.47	(4,083,736.78)	(51.46)	
Total Interest Charges.....	48,502,810.27	53,880,615.33	(5,377,805.06)	(9.98)	
Net Income.....	<u>97,839,234.46</u>	<u>90,508,014.40</u>	<u>7,331,220.06</u>	<u>8.10</u>	

November 20, 2009

Louisville Gas and Electric Company
Analysis of Retained Earnings
October 31, 2009

	Current Month		Year to Date		Year Ended Current Month	
	This Year	Last Year	This Year	Last Year	This Year	Last Year
Balance at Beginning of Period.....	736,266,409.68	722,843,931.85	740,161,671.19	689,961,390.20	723,412,389.21	672,960,370.81
Add:						
Net Income for Period.....	4,985,213.99	568,457.36	81,089,952.48	73,450,999.01	97,839,234.46	90,508,014.40
FIN 48 Adjustment.....	-	-	-	-	-	(55,996.00)
Deduct:						
Adjustment to Retained Earnings.....	-	-	-	-	-	-
Common Dividends	-	-	-	-	-	-
Common Stock Without Par Value.....	-	-	80,000,000.00	40,000,000.00	80,000,000.00	40,000,000.00
Balance at End of Period.....	<u>741,251,623.67</u>	<u>723,412,389.21</u>	<u>741,251,623.67</u>	<u>723,412,389.21</u>	<u>741,251,623.67</u>	<u>723,412,389.21</u>

Louisville Gas and Electric Company
Comparative Balance Sheets as of October 31, 2009 and 2008

	This Year	Last Year	Liabilities and Other Credits	This Year	Last Year
Assets and Other Debits					
Utility Plant			Capitalization		
Utility Plant at Original Cost	4,610,880,968.92	4,487,024,220.66	Common Stock	425,170,424.09	425,170,424.09
Less Reserves for Depreciation and Amortization	2,004,144,257.22	1,948,378,159.88	Common Stock Expense	(835,888.64)	(835,888.64)
Total	2,606,736,711.70	2,538,646,060.78	Paid-In Capital	83,581,499.00	60,000,000.00
Investments			Other Comprehensive Income	(11,291,121.77)	(11,166,518.35)
Ohio Valley Electric Corporation	594,286.00	594,286.00	Retained Earnings	741,251,623.67	723,412,389.21
Nonutility Property-Less Reserve	11,879.20	11,879.20	Total Common Equity	1,237,876,536.35	1,196,580,406.31
Special Funds	16,119,515.57	13,179,931.45	Pollution Control Bonds - Net of Reacquired Bonds	411,104,000.00	315,104,000.00
Other	-	14,921,226.00	LT Notes Payable to Associated Companies	485,000,000.00	435,000,000.00
Total	16,725,680.77	28,707,322.65	Total Long-term Debt	896,104,000.00	750,104,000.00
Current and Accrued Assets			Total Capitalization	2,133,980,536.35	1,946,684,406.31
Cash	2,869,220.49	2,382,507.96	Current and Accrued Liabilities		
Special Deposits	778,627.13	7,197,895.33	ST Notes Payable to Associated Companies	150,667,400.00	359,919,200.00
Temporary Cash Investments	119.71	26.98	Accounts Payable	74,140,577.53	103,480,135.90
Accounts Receivable-Less Reserve	109,214,453.57	151,408,950.98	Accounts Payable to Associated Companies	18,098,743.98	27,190,270.83
Accounts Receivable from Associated Companies	409,898.28	74,535.43	Customer Deposits	22,885,391.58	21,634,958.53
Materials and Supplies-At Average Cost			Taxes Accrued	12,570,631.70	11,160,778.74
Fuel	59,002,922.30	40,552,656.29	Interest Accrued	4,534,543.31	3,166,486.05
Plant Materials and Operating Supplies	29,072,365.02	27,968,465.49	ST Obligations Under Capital Leases	-	92,088.62
Stores Expense	4,114,112.64	4,288,430.01	Miscellaneous Current and Accrued Liabilities	18,448,931.14	13,677,198.85
Gas Stored Underground	69,378,233.30	142,275,643.50	Total	301,346,219.24	540,321,117.52
Allowance Inventory	4,365.83	9,430.27	Deferred Credits and Other		
Prepayments	3,734,526.15	3,574,281.51	Accumulated Deferred Income Taxes	440,065,032.26	402,121,254.65
Miscellaneous Current and Accrued Assets	1,092,528.93	1,097,634.79	Investment Tax Credit	50,747,646.26	49,040,223.49
Total	279,671,373.35	380,830,458.54	Regulatory Liabilities	92,748,037.98	56,798,045.69
Deferred Debits and Other			Customer Advances for Construction	9,333,917.66	13,699,203.35
Unamortized Debt Expense	3,885,135.32	4,045,063.50	Asset Retirement Obligations	32,716,955.41	30,790,910.59
Unamortized Loss on Bonds	23,320,833.90	23,930,532.01	Other Deferred Credits	40,128,057.87	48,037,872.80
Accumulated Deferred Income Taxes	59,064,449.60	40,133,004.73	Miscellaneous Long-term Liabilities	40,186,994.96	32,910,423.47
Deferred Regulatory Assets	364,902,698.29	153,445,413.69	Accum Provision for Postretirement Benefits	214,121,718.20	91,497,930.05
Other Deferred Debits	1,068,233.26	42,163,534.02	Total	920,048,360.60	724,895,866.09
Total	452,241,350.37	263,717,547.95	Total Liabilities and Other Credits	3,355,375,116.19	3,211,901,389.92
Total Assets and Other Debits	3,355,375,116.19	3,211,901,389.92			

November 20, 2009

Louisville Gas and Electric Company
Statement of Capitalization and Short-term Debt
October 31, 2009

	Authorized Shares	Issued and Outstanding Shares	Amount	Percent of Total	
				Capital and ST Debt	Capital
Common Equity					
Common Stock - Without Par.....	75,000,000	21,294,223	425,170,424.09		
Common Stock Expense.....			(835,888.64)		
Paid-In Capital.....			83,581,499.00		
Other Comprehensive Income.....			(11,291,121.77)		
Retained Earnings.....			741,251,623.67		
Total Common Equity.....			<u>1,237,876,536.35</u>	<u>54.18</u>	<u>58.01</u>
Long-term Debt					
Pollution Control Bonds					
Jefferson County 2000 Series A due 05/01/27 5.375%.....			25,000,000.00		
Trimble County 2000 Series A due 08/01/30 Var%.....			83,335,000.00		
Jefferson County 2001 Series A due 09/01/26 Var%.....			22,500,000.00		
Jefferson County 2001 Series A due 09/01/27 Var%.....			10,104,000.00		
Trimble County 2001 Series A due 09/01/26 Var%.....			27,500,000.00		
Jefferson County 2001 Series B due 11/01/27 Var%.....			35,000,000.00		
Trimble County 2001 Series B due 11/01/27 Var%.....			35,000,000.00		
Trimble County 2002 Series A due 10/01/32 Var%.....			41,665,000.00		
Louisville Metro 2003 Series A due 10/01/33 Var%.....			128,000,000.00		
Louisville Metro 2005 Series A due 02/01/35 5.750%.....			40,000,000.00		
Louisville Metro 2007 Series A due 06/01/33 5.625%.....			31,000,000.00		
Louisville Metro 2007 Series B due 06/01/33 Var%.....			35,200,000.00		
Trimble County 2007 Series A due 06/01/33 4.600%.....			60,000,000.00		
Total Pollution Control Bonds.....			<u>574,304,000.00</u>	<u>25.13</u>	<u>26.91</u>
Less Reacquired Bonds					
Louisville Metro 2003 Series A due 10/01/33 Var%.....			(128,000,000.00)		
Louisville Metro 2007 Series B due 06/01/33 Var%.....			(35,200,000.00)		
Total Pollution Control Bonds - Net of Reacquired Bonds.....			<u>411,104,000.00</u>	<u>17.99</u>	<u>19.26</u>
Long-term Notes Payable to Associated Companies.....			<u>485,000,000.00</u>	<u>21.23</u>	<u>22.73</u>
Total Capitalization.....			<u>2,133,980,536.35</u>	<u>93.40</u>	<u>100.00</u>
Short-term Notes Payable to Associated Companies.....			<u>150,667,400.00</u>	<u>6.60</u>	
Total Capitalization and Short-term Debt.....			<u>2,284,647,936.35</u>	<u>100.00</u>	

November 20, 2009

Louisville Gas and Electric Company
Summary Trial Balance
October 31, 2009

<u>Account - Subsidiary Account</u>	<u>Balance Subsidiary Account</u>	<u>Balance as Shown on Balance Sheets</u>
Utility Plant		
At Original Cost.....	4,610,880,968.92	4,610,880,968.92
Reserves for Depreciation and Amortization.....		(2,004,144,257.22)
Depreciation of Plant		
Electric.....	(1,676,154,456.37)	
Gas.....	(225,205,785.11)	
Common.....	(85,911,591.50)	
Amortization of Plant		
Common.....	(16,871,524.24)	
Gas.....	(800.00)	
Electric.....	(100.00)	
Investments.....		16,725,680.77
Special Funds.....	16,119,515.57	
Ohio Valley Electric Corporation.....	594,286.00	
Nonutility Property.....	75,239.56	
Nonutility Property Reserve.....	(63,360.36)	
Cash.....	2,869,220.49	2,869,220.49
Special Deposits.....		778,627.13
Other Special Deposits.....	778,627.13	
Temporary Cash Investments.....	119.71	119.71
Accounts Receivable - Less Reserve.....		109,214,453.57
Customers - Active.....	52,820,297.48	
Unbilled Revenues.....	42,840,000.00	
IMPA.....	3,441,887.70	
IMEA.....	3,280,508.52	
Sundry Accounts Receivable.....	2,529,727.03	
Wholesale Sales.....	2,442,506.76	
Margin Cash Collateral.....	1,727,854.42	
Electricity Swaps.....	641,932.18	
Damage Claims.....	536,091.33	
Transmission Sales.....	222,172.43	
Employee Computer Loans.....	64,952.48	
Rents Receivable.....	37,896.61	
Working Funds.....	20,630.00	
Interest and Dividends Receivable.....	9,791.09	
Reserves for Uncollectible Accounts		
Utility Customers		
Charged Off.....	4,523,640.12	
A/R Miscellaneous.....	(839,750.00)	
Reserve.....	(947,654.00)	
Recoveries.....	(1,244,436.19)	
Accrual.....	(3,279,020.93)	
Other.....	385,426.54	
Accounts Receivable from Associated Companies.....		409,898.28
E.ON US Services/Kentucky Utilities Company.....	409,898.28	
Fuel.....		59,002,922.30
Coal 1,438,245.60 Tons @ \$40.62; MMBtu 32,768,598.16 @ 178.29¢.....	58,423,844.50	
Fuel Oil 220,828.00 Gallons @ 171.59¢.....	378,916.97	
Gas Pipeline 5,100.00 Mcf @ \$39.25.....	200,160.83	
Plant Materials and Operating Supplies.....		29,072,365.02
Regular Materials and Supplies.....	28,704,744.39	
Limestone 42,906.91 Tons @ \$8.57.....	367,620.62	
Other Reagents.....	0.01	

November 20, 2009

Louisville Gas and Electric Company
Summary Trial Balance
October 31, 2009

<u>Account - Subsidiary Account</u>	<u>Balance Subsidiary Account</u>	<u>Balance as Shown on Balance Sheets</u>
Stores Expense Undistributed.....	4,114,112.64	4,114,112.64
Gas Stored Underground - Current.....		69,378,233.30
Gas St. Underground* 14,268,183 Mcf (14.73 psia) @ \$ 4.86.....	69,378,233.30	
Allowance Inventory.....	4,365.83	4,365.83
Prepayments.....		3,734,526.15
Taxes.....	1,293,403.38	
Insurance.....	320,044.53	
Rights of Way.....	253,333.37	
Risk Management and Workers Compensation.....	90,000.00	
Vehicle License.....	26,505.49	
Other.....	1,751,239.38	
Miscellaneous Current Assets.....		1,092,528.93
Derivative Asset - Non-Hedging.....	1,092,528.93	
Unamortized Debt Expense.....		3,885,135.32
Trimble County 2000 Series A due 08/01/30 Var%.....	803,156.94	
Jefferson County 2001 Series A due 09/01/26 Var%.....	167,050.14	
Jefferson County 2001 Series A due 09/01/27 Var%.....	363,645.30	
Trimble County 2001 Series A due 09/01/26 Var%.....	181,631.50	
Jefferson County 2001 Series B due 11/01/27 Var%.....	197,914.48	
Trimble County 2001 Series B due 11/01/27 Var%.....	197,946.94	
Trimble County 2002 Series A due 10/01/32 Var%.....	852,969.66	
Trimble County 2007 Series A due 06/01/33 4.600%.....	1,120,820.36	
Unamortized Loss on Bonds.....	23,320,833.90	23,320,833.90
Accumulated Deferred Income Taxes.....		59,064,449.60
Federal.....		
Electric.....	44,580,723.98	
Gas.....	5,301,860.50	
Common.....	240,879.92	
State.....		
Electric.....	7,972,137.74	
Gas.....	966,904.66	
Common.....	1,942.80	
Regulatory Assets.....		364,902,698.29
Pension and Postretirement Benefits.....	249,597,539.00	
2009 Winter Storm.....	43,861,320.60	
2008 Wind Storm.....	23,540,332.79	
Asset Retirement Obligations.....		
Electric.....	21,165,626.51	
Gas.....	8,051,819.89	
Common.....	26,013.39	
Environmental Cost Recovery.....	6,763,168.00	
MISO Exit Fee.....	5,895,192.50	
Gas Supply Clause/PBR.....	2,697,074.54	
ECR Ash Hauling.....	1,028,826.99	
Rate Case Expenses.....	771,749.63	
KCCS Funding.....	769,220.61	
EKPC FERC Transmission Costs.....	734,813.84	
Other Deferred Debits.....	1,068,233.26	1,068,233.26
Total Assets and Other Debits.....	3,355,375,116.19	3,355,375,116.19

* Excludes:

	\$	Mcf
Non-recoverable Base Gas	9,648,855.00	7,880,000
Recoverable Base Gas	<u>2,139,990.00</u>	<u>2,930,000</u>
	11,788,845.00	10,810,000

November 20, 2009

Louisville Gas and Electric Company
Summary Trial Balance
October 31, 2009

<u>Account - Subsidiary Account</u>	<u>Balance Subsidiary Account</u>	<u>Balance as Shown on Balance Sheets</u>
Common Equity.....		1,237,876,536.35
Common Stock.....	425,170,424.09	
Common Stock Expense.....	(835,888.64)	
Paid-In Capital.....	83,581,499.00	
Other Comprehensive Income.....	(11,291,121.77)	
Retained Earnings.....	741,251,623.67	
Bonds.....	411,104,000.00	411,104,000.00
Long-term Notes Payable to Associated Companies.....	485,000,000.00	485,000,000.00
Short-term Notes Payable to Associated Companies.....	150,667,400.00	150,667,400.00
Accounts Payable.....		74,140,577.53
Regular.....	71,316,371.69	
Salaries and Wages Accrued.....	2,850,994.76	
Employee Withholdings Payable.....	(26,788.92)	
Accounts Payable to Associated Companies.....		18,098,743.98
E.ON US Services/Kentucky Utilities Company.....	13,232,943.42	
Fidelia.....	4,865,800.56	
Customers' Deposits.....	22,885,391.58	22,885,391.58
Taxes Accrued.....	12,570,631.70	12,570,631.70
Interest Accrued.....		4,534,543.31
Jefferson County 2000 Series A due 05/01/27 5.375%.....	671,875.09	
Trimble County 2000 Series A due 08/01/30 Var%.....	6,620.52	
Jefferson County 2001 Series A due 09/01/26 Var%.....	44,506.88	
Jefferson County 2001 Series A due 09/01/27 Var%.....	308.83	
Trimble County 2001 Series A due 09/01/26 Var%.....	8,815.05	
Jefferson County 2001 Series B due 11/01/27 Var%.....	23,972.58	
Trimble County 2001 Series B due 11/01/27 Var%.....	23,972.88	
Trimble County 2002 Series A due 10/01/32 Var%.....	3,227.02	
Louisville Metro 2003 Series A 11/20/03 due 10/01/33 Var%.....	(0.01)	
Louisville Metro 2005 Series A due 02/01/35 5.750%.....	568,611.21	
Louisville Metro 2007 Series A due 06/01/33 5.625%.....	726,562.55	
Trimble County 2007 Series A due 06/01/33 4.600%.....	1,150,000.00	
Louisville Metro 2007 Series B 04/26/07 due 06/01/33 Var%.....	0.01	
Interest Rate Swaps.....	663,109.33	
Customers' Deposits.....	533,119.92	
Other.....	109,841.45	
Miscellaneous Current and Accrued Liabilities.....		18,448,931.14
Customer Overpayments.....	5,633,718.41	
Vacation Pay Accrued.....	5,312,110.28	
Postretirement Benefits - Current.....	3,411,968.00	
No-Notice Gas Payable.....	3,015,763.47	
Tax Collections Payable.....	1,018,429.63	
Derivative Liabilities - Non-Hedging.....	(402,890.53)	
Other.....	459,831.88	

November 20, 2009

Louisville Gas and Electric Company
Summary Trial Balance
October 31, 2009

<u>Account - Subsidiary Account</u>	<u>Balance Subsidiary Account</u>	<u>Balance as Shown on Balance Sheets</u>
Accumulated Deferred Income Taxes.....		440,065,032.26
Federal		
Electric.....	332,055,566.27	
Gas.....	47,048,890.23	
Common.....	240,879.92	
State		
Electric.....	54,010,915.51	
Gas.....	6,706,837.53	
Common.....	1,942.80	
Investment Tax Credit.....		50,747,646.26
Job Development Credit		
Electric.....	26,839,370.80	
Gas.....	861,712.81	
Advanced Coal Credit.....	23,046,562.65	
Regulatory Liabilities.....		92,748,037.98
Deferred Taxes		
Federal		
Electric.....	20,733,792.64	
Gas.....	1,471,379.12	
State		
Electric.....	16,587,599.39	
Gas.....	2,582,116.63	
Gas Supply Clause/PBR.....	36,959,563.59	
DSM Cost Recovery.....	7,633,608.55	
Asset Retirement Obligations		
Gas.....	2,353,475.95	
Electric.....	703,529.43	
MISO Schedule 10 Charges.....	3,052,972.68	
Fuel Adjustment Clause.....	670,000.00	
Customers' Advances for Construction.....		9,333,917.66
Line Extensions		
Gas.....	7,485,292.28	
Electric.....	1,080,029.00	
Customer Advances - Museum Plaza.....	768,596.38	
Asset Retirement Obligations		32,716,955.41
Electric.....	24,506,038.16	
Gas.....	8,182,396.92	
Common.....	28,520.33	
Other Deferred Credits.....	40,128,057.87	40,128,057.87
Miscellaneous Long-term Liabilities.....		40,186,994.96
Long-term Derivative Liabilities - SFAS 133.....	34,839,886.54	
Workers' Compensation.....	5,347,108.42	
Accumulated Provision for Benefits.....		214,121,718.20
Pension Payable.....	135,235,667.00	
Postretirement Benefits - SFAS 106.....	75,310,319.20	
Post Employment Benefits Payable.....	3,747,857.00	
Post Employment Medicare Subsidy.....	(172,125.00)	
Total Liabilities and Other Credits.....	<u>3,355,375,116.19</u>	<u>3,355,375,116.19</u>

November 20, 2009

Louisville Gas and Electric Company
Statement of Cash Flows
October 31, 2009

	Year to Date	
	2009	2008
Cash Flows from Operating Activities		
Net income.....	81,089,952.48	73,450,999.01
Items not requiring (providing) cash currently:		
Depreciation.....	107,099,008.16	100,966,184.18
Amortization.....	6,549,248.67	4,826,609.71
Deferred income taxes - net.....	37,143,925.42	11,025,167.08
Investment tax credit - net.....	398,576.13	2,941,261.29
Other.....	10,905,022.26	12,553,726.75
Change in receivables.....	94,533,831.38	43,843,583.66
Change in inventory.....	33,314,583.18	(56,979,144.56)
Change in allowance inventory.....	1,594.38	2,029.20
Change in payables and accrued expenses.....	(51,196,522.77)	(17,692,762.70)
Change in regulatory assets.....	(47,663,021.46)	(2,423,364.41)
Change in regulatory liabilities.....	36,481,806.82	1,682,508.07
Change in other deferred debits.....	40,369,394.65	(8,392,028.36)
Change in other deferred credits.....	(3,523,958.58)	28,668,555.39
Other.....	(49,815,710.25)	(15,427,618.79)
Gain on disposal of assets.....	(2,510,531.16)	(8,757,464.56)
Net cash provided (used) by operating activities.....	<u>293,177,199.31</u>	<u>170,288,240.96</u>
Cash Flows from Investing Activities		
Gross additions to utility plant - construction expenditures.....	(134,368,768.53)	(160,378,480.21)
Gross additions to common utility plant - construction expenditures.....	(11,638,340.99)	(29,333,517.90)
Change in restricted cash.....	-	(2,328,743.70)
Change in non-hedging derivatives.....	211,508.47	11,858,560.61
Proceeds received from sales of property.....	2,565,220.92	9,125,684.50
Net cash provided (used) by investing activities.....	<u>(143,230,380.13)</u>	<u>(171,056,496.70)</u>
Cash Flows from Financing Activities		
Proceeds from issuance of long-term debt.....	(84,624.35)	24,811,340.41
Net change in short-term debt.....	(71,331,800.00)	281,678,000.00
Net change in derivative liabilities.....	-	(6,692,067.00)
Payments for reacquisition of long-term debt.....	-	(259,200,000.00)
Net change in short-term capital lease obligations.....	(23,650.00)	(313,349.07)
Net change in long-term capital lease obligations.....	-	(23,649.00)
Net change in restricted cash.....	-	(1,457,903.54)
Contributed capital.....	51,107.00	-
Dividends on common stock.....	(80,000,000.00)	(40,000,000.00)
Net cash provided (used) by financing activities.....	<u>(151,388,967.35)</u>	<u>(1,197,628.20)</u>
Net Increase (Decrease) in Cash and Cash Equivalents.....	(1,442,148.17)	(1,965,883.94)
Cash and Cash Equivalents at Beginning of Period.....	<u>4,311,488.37</u>	<u>4,348,418.88</u>
Cash and Cash Equivalents at End of Period.....	<u><u>2,869,340.20</u></u>	<u><u>2,382,534.94</u></u>

November 20, 2009

Louisville Gas and Electric Company
Analysis of Interest Charges
October 31, 2009

	Current Month		Year to Date		Year Ended Current Month	
	This Year	Last Year	This Year	Last Year	This Year	Last Year
Interest on Long-term Debt						
Loan Agreement - Pollution Control Bonds						
Jefferson County 2000 Series A due 05/01/27 5.375%.....	111,979.17	-	1,119,791.70	539,670.12	1,254,168.77	695,746.50
Trimble County 2000 Series A due 08/01/30 Var%.....	20,509.66	221,812.32	260,144.10	2,449,486.52	412,795.30	3,022,414.65
Jefferson County 2001 Series A due 09/01/26 Var%.....	18,154.12	32,397.54	209,242.17	452,825.38	281,668.21	584,055.65
Jefferson County 2001 Series A due 09/01/27 Var%.....	1,947.83	23,976.23	34,950.49	272,406.37	51,151.42	340,931.15
Trimble County 2001 Series A due 09/01/26 Var%.....	21,020.55	39,597.00	255,966.46	553,453.19	344,487.18	713,845.73
Jefferson County 2001 Series B due 11/01/27 Var%.....	30,876.71	51,878.42	316,759.81	719,840.15	418,953.19	925,470.84
Trimble County 2001 Series B due 11/01/27 Var%.....	30,876.70	51,878.42	316,759.80	719,840.15	418,953.18	924,492.78
Trimble County 2002 Series A due 10/01/32 Var%.....	9,094.39	120,444.87	160,567.80	1,332,968.12	278,818.99	1,626,620.76
Louisville Metro 2003 Series A due 10/01/33 Var%.....	736,993.96	-	688,312.42	3,567,377.73	-	4,386,008.84
Louisville Metro 2005 Series A due 02/01/35 5.750%.....	191,666.67	-	1,916,666.69	495,511.11	2,146,566.70	733,844.45
Louisville Metro 2007 Series A due 06/01/33 5.625%.....	145,312.50	-	1,453,125.00	496,799.20	1,627,500.02	694,983.92
Louisville Metro 2007 Series B due 06/01/33 Var%.....	-	-	(0.03)	568,520.74	(0.02)	793,878.96
Trimble County 2007 Series A due 06/01/33 4.600%.....	230,000.00	230,000.00	2,300,000.02	2,310,603.33	2,760,000.02	2,747,603.33
Interest Rate Swaps.....	147,657.33	225,986.06	5,724,487.31	3,795,273.44	6,724,356.73	4,139,502.46
Notes/Debentures.....	-	-	-	-	-	86,740.24
Fidelity.....	2,220,150.00	1,950,150.00	22,201,500.13	18,621,749.94	26,452,800.13	22,076,605.49
Total.....	3,916,239.59	2,948,120.86	36,958,273.87	36,896,325.49	43,172,319.81	44,492,745.75
Amortization of Debt Expense - Net						
Amortization of Debt Expense.....	15,518.07	15,412.77	154,827.89	248,828.49	185,653.43	316,766.95
Amortization of Loss on Reacquired Debt.....	(27,088.13)	106,148.52	950,094.56	962,596.46	1,293,470.34	1,135,999.16
Total.....	(11,570.06)	121,561.29	1,104,922.45	1,211,424.95	1,479,123.77	1,452,766.11
Other Interest Charges						
Customers' Deposits.....	83,030.11	94,278.60	894,437.00	888,078.32	1,085,753.62	1,055,847.27
Other Tax Deficiencies.....	-	-	(12,853.00)	(3,223.00)	(11,740.00)	(5,004.00)
Gas Refunds.....	-	-	-	-	-	-
Interest on DSM Cost Recovery.....	4,647.33	(26,139.00)	122,947.35	-	164,626.44	-
Interest on Debt to Associated Companies.....	(37,594.72)	1,462,225.31	553,048.93	5,150,146.78	1,633,978.48	6,012,306.36
Other Interest Expense.....	63,084.38	755,212.36	558,283.13	871,953.84	978,748.15	871,953.84
Total.....	113,167.10	2,285,577.27	2,115,863.41	6,906,955.94	3,851,366.69	7,935,103.47
Total Interest.....	4,017,836.63	5,355,259.42	40,179,059.73	45,014,706.38	48,502,810.27	53,880,615.33

November 20, 2009

Louisville Gas and Electric Company
Analysis of Taxes Charged and Accrued
October 31, 2009

Kind of Taxes	Current Month		Year To Date	
	This Year	Last Year	This Year	Last Year
Taxes Charged to Accounts 408.1 and 409.1				
Property Taxes.....	468,654.89	1,352,184.77	13,677,458.08	13,521,847.70
Unemployment.....	(126.56)	13,512.48	126,477.61	123,271.04
FICA.....	468,607.12	491,895.71	5,704,985.19	5,344,990.48
Public Service Commission Fee.....	161,675.42	157,536.02	1,591,917.79	1,599,837.98
Federal Income.....	(665,135.75)	3,150,246.69	7,435,947.12	22,496,221.88
State Income.....	571,978.53	600,046.98	3,145,559.43	923,162.94
Miscellaneous.....	12,911.20	7,339.76	46,073.35	126,194.66
Total Charged to Operating Expense.....	1,018,564.85	5,772,762.41	31,728,418.57	44,135,526.68
Taxes Charged to Other Accounts.....	1,731,571.88	675,927.34	5,298,738.84	24,393,762.80
Taxes Accrued on Intercompany Accounts.....	(201,447.94)	(181,864.17)	(2,161,803.08)	(1,929,311.93)
Total Taxes Charged.....	2,548,688.79	6,266,825.58	34,865,354.33	66,599,977.55

Analysis of Taxes Accrued - Account 236

Kind of Taxes	Taxes Accrued	Accruals	Payments	Taxes Accrued
	At Beginning Of Year	To Date This Year	To Date This Year	At End Of Month
Property Taxes.....	9,963,700.60	13,901,761.98	13,626,617.68	10,238,844.90
Unemployment.....	68,978.84	68,373.08	138,302.52	(950.60)
FICA.....	698,416.45	4,929,271.02	5,122,178.14	505,509.33
Federal Income.....	5,330,534.78	9,637,160.69	15,316,728.90	(349,033.43)
State Income.....	1,741,239.63	3,551,589.90	3,401,124.00	1,891,705.53
Kentucky Sales and Use Tax.....	578,874.39	2,652,292.51	2,973,743.88	257,423.02
Miscellaneous.....	-	124,905.15	97,772.20	27,132.95
Totals.....	18,381,744.69	34,865,354.33	40,676,467.32	12,570,631.70

November 20, 2009

Louisville Gas Electric Company
 Summary by Plant
 October 2009

	Beginning Balance	Additions	Retirements	Transfers/ Adjustments	Net Additions	Ending Balance
101 Utility Plant in Service						
Common						
Common General Plant	156,628,323.83	8,459,958.33	(2,228,265.73)	-	6,231,692.60	162,860,016.43
Common Intangible Plant	30,504,727.59	43,160,641.05	(13,110,855.89)	-	30,049,785.16	60,554,512.75
	187,133,051.42	51,620,599.38	(15,339,121.62)	-	36,281,477.76	223,414,529.18
Electric						
Electric Distribution	768,525,773.32	83,104,550.81	(5,100,239.68)	2,523,041.22	80,527,352.35	849,053,125.67
Electric General Plant	167,739,305.40	294,293.94	(211,919.75)	-	82,374.19	16,821,679.59
Electric Hydro Production	40,692,754.42	144,671.53	(1,371.95)	743,189.41	886,488.99	41,579,243.41
Electric Intangible Plant	2,340.29	-	-	-	-	2,340.29
Electric Other Production	226,677,788.60	6,117,018.01	(4,926,623.06)	3,381,620.44	4,572,015.39	231,249,803.99
Electric Steam Production	1,957,945,552.56	28,229,314.31	(8,282,473.13)	15,422,227.79	35,369,068.97	1,993,314,621.53
Electric Transmission	256,087,174.79	5,842,424.59	(812,420.73)	(19,193,120.86)	(14,163,117.00)	241,924,057.79
	3,266,670,689.38	123,732,273.19	(19,335,048.30)	2,876,958.00	107,274,182.89	3,373,944,872.27
Gas						
Gas Distribution	473,727,554.77	13,526,428.74	(2,199,634.76)	-	11,326,794.48	485,054,349.25
Gas General Plant	9,038,472.86	182,720.97	(206,196.86)	-	(23,475.89)	9,014,996.97
Gas Intangible Plant	1,187.49	-	-	-	-	1,187.49
Gas Storage	62,441,928.04	3,673,551.59	(2,756,233.82)	-	917,317.77	63,359,245.81
Gas Transmission	12,901,908.09	761,957.99	(5,662.32)	-	756,295.67	13,658,203.76
	558,111,051.25	18,144,659.29	(5,167,727.26)	-	12,976,932.03	571,087,983.28
Total 101 Accounts	4,011,914,792.05	193,497,531.86	(39,841,897.18)	2,876,958.00	156,532,592.68	4,168,447,384.73
101 Property Under Capital Leases						
Electric Capital Leased Property	2,876,958.00	-	-	(2,876,958.00)	(2,876,958.00)	-
Electric Steam Production	2,876,958.00	-	-	(2,876,958.00)	(2,876,958.00)	-
Total 101101	2,876,958.00	-	-	(2,876,958.00)	(2,876,958.00)	-
105 Plant Held for Future Use						
Electric						
Electric Distribution	649,014.48	-	-	-	-	649,014.48
Electric Steam Production	4,182,559.70	-	-	-	-	4,182,559.70
	4,831,574.18	-	-	-	-	4,831,574.18
Total 105001	4,831,574.18	-	-	-	-	4,831,574.18

Louisville Gas & Electric Company
 Summary of Plant
 October 31, 2009

	Beginning Balance	Additions	Retirements	Transfers/Adjustments	Net Additions	Ending Balance
106 Completed Construction Not Classified Common						
Common General Plant	1,922,810.85	(1,351,807.19)	-	-	(1,351,807.19)	571,003.66
Common Intangible Plant	1,374,736.40	546,740.50	-	-	546,740.50	1,921,476.90
	3,297,547.25	(805,066.69)	-	-	(805,066.69)	2,492,480.56
Electric						
Electric Distribution	53,528,201.00	(20,147,210.72)	-	14,454.62	(20,132,756.10)	33,395,444.90
Electric General Plant	121,321.11	(121,321.11)	-	-	(121,321.11)	-
Electric Hydro Production	56,785.36	(39,833.10)	-	-	(39,833.10)	16,952.26
Electric Intangible Plant	-	-	-	-	-	-
Electric Other Production	123,654.81	(123,654.81)	-	-	(123,654.81)	-
Electric Steam Production	13,060,279.51	(3,950,594.82)	-	-	(3,950,594.82)	9,109,684.69
Electric Transmission	1,573,129.06	(486,740.95)	-	(14,454.62)	(501,195.57)	1,071,933.49
	68,463,370.85	(24,869,355.51)	-	-	(24,869,355.51)	43,594,015.34
Gas						
Gas Distribution	37,599,096.45	9,464,737.67	-	-	9,464,737.67	47,063,834.12
Gas General Plant	-	181,990.95	-	-	181,990.95	181,990.95
Gas Intangible Plant	-	-	-	-	-	-
Gas Storage	1,318,828.23	2,824,019.70	-	-	2,824,019.70	4,142,847.93
Gas Transmission	38,917,924.68	13,721,566.64	-	-	13,721,566.64	52,639,491.32
	110,678,842.78	(11,952,855.56)	-	-	(11,952,855.56)	98,725,987.22
Total 106 Accounts						
	2,139,990.00	-	-	-	-	2,139,990.00
	2,139,990.00	-	-	-	-	2,139,990.00
	2,139,990.00	-	-	-	-	2,139,990.00
117 Gas Stored Underground - Noncurrent Gas						
Gas Stored Nonrecoverable	75,239.56	-	-	-	-	75,239.56
	75,239.56	-	-	-	-	75,239.56
	75,239.56	-	-	-	-	75,239.56
Total 117001						
	75,239.56	-	-	-	-	75,239.56
	75,239.56	-	-	-	-	75,239.56
	75,239.56	-	-	-	-	75,239.56
121 Nonutility Property Common						
Nonutility Property	51,677,042.23	(39,177,191.70)	-	-	(39,177,191.70)	12,499,850.53
	269,074,514.63	16,170,345.10	-	-	16,170,345.10	285,244,859.73
	53,271,643.56	(14,280,321.03)	-	-	(14,280,321.03)	38,991,322.53
	374,023,200.42	(37,287,167.63)	-	-	(37,287,167.63)	336,736,032.79
	4,132,517,396.57	181,544,676.30	(39,841,897.18)	-	141,702,779.12	4,274,220,175.69
Total Plant (Non-CWIP)						
	4,506,540,596.99	144,257,508.67	(39,841,897.18)	-	104,415,611.49	4,610,956,208.48
Total Plant + CWIP						
	4,506,465,357.43	144,257,508.67	(39,841,897.18)	-	104,415,611.49	4,610,880,968.92

Louisville Gas and Electric Company
 Summary of Utility Plant - Reserve for Depreciation of Utility Plant
 October 31, 2009

	Beginning Balance	Accruals	Retirements	Transfers/ Adjustments	RWIP Transfers Out	Cost of Removal	Salvage	Other Credits	Ending Balance
Life Reserve									
Common General Plant	(68,115,611.49)	(10,686,682.94)	2,228,265.73	57,791.12	-	-	-	(64,419.00)	(76,580,656.58)
Common General Plant - ARO	(1,199.60)	(28.60)	-	-	-	-	-	-	(1,228.20)
Electric Distribution	(255,961,891.88)	(13,291,460.49)	5,100,239.68	(483,635.98)	-	-	-	(62,950.88)	(264,699,699.55)
Electric Distribution - ARO	(12,796.60)	(305.10)	-	-	-	-	-	-	(13,101.70)
Electric General Plant	(13,702,714.67)	(542,383.22)	211,919.75	(34.23)	-	-	-	-	(14,033,212.37)
Electric Hydro Production	(8,147,012.81)	(474,497.79)	1,371.95	(450,445.28)	-	-	-	-	(9,070,583.93)
Electric Hydro Production - ARO	(17,314.16)	(413.40)	-	-	-	-	-	-	(17,727.56)
Electric Other Production	(48,776,531.63)	(6,701,253.13)	4,847,716.34	(386,081.21)	-	-	-	-	(51,016,149.63)
Electric Other Production - ARO	(118,219.64)	(49,591.46)	78,906.72	-	-	-	-	-	(88,904.38)
Electric Steam Production	(980,719,365.60)	(44,275,152.41)	8,269,463.20	(6,122,148.92)	-	-	-	-	(1,022,897,927.06)
Electric Steam Production - ARO	(2,382,766.82)	(144,027.84)	13,009.93	(2,407.93)	-	-	-	-	(2,516,192.66)
Electric Transmission	(120,367,314.51)	(3,228,707.68)	812,420.73	7,399,649.51	-	-	-	(94,419.02)	(115,478,370.97)
Electric Transmission - ARO	(3,029.54)	(42.41)	-	2,407.93	-	-	-	-	(664.02)
Gas Distribution	(115,555,571.04)	(8,435,771.55)	2,199,634.26	-	-	-	-	-	(121,791,708.33)
Gas Distribution - ARO	(20,060.41)	(266.70)	-	-	-	-	-	-	(20,327.11)
Gas General Plant	(6,241,137.60)	(391,348.02)	206,196.86	-	-	-	-	-	(6,426,288.76)
Gas Storage	(34,022,860.14)	(779,145.17)	2,736,094.19	-	-	-	-	-	(32,065,911.12)
Gas Storage - ARO	(409,284.68)	(11,712.68)	20,139.63	-	-	-	-	-	(400,857.73)
Gas Stored Nonrecoverable	(9,358,516.52)	(42,047.34)	5,662.32	-	-	-	-	-	(9,394,901.54)
Gas Transmission	(63,360.36)	-	-	-	-	-	-	-	(63,360.36)
Non Utility Property	(1,663,996,559.70)	(89,054,837.93)	26,731,041.29	15,095.01	-	-	-	(272,512.23)	(1,726,577,773.56)
Cost of Removal									
Common General Plant	(469,247.42)	(208,761.89)	-	-	-	114,447.53	-	-	(563,561.78)
Electric Distribution	(157,755,648.48)	(5,218,173.73)	-	(793.80)	-	14,307,648.59	-	-	(148,666,967.42)
Electric General Plant	3,866.64	-	-	-	-	-	-	-	3,866.64
Electric Hydro Production	814,671.45	(31,380.05)	-	(823.08)	-	3,619.91	-	-	786,088.23
Electric Other Production	(2,039,438.56)	(261,609.29)	-	(705.46)	-	202,327.93	-	-	(2,099,425.38)
Electric Steam Production	(75,412,706.30)	(12,028,744.29)	-	(3,135.35)	-	3,751,463.01	-	-	(83,693,122.93)
Electric Transmission	(23,681,680.84)	(982,908.31)	-	5,457.69	-	1,115,949.80	-	-	(23,543,181.66)
Gas Distribution	(58,299,094.86)	(2,589,150.49)	-	-	-	229,259.62	-	-	(60,658,985.73)
Gas General Plant	(0.02)	-	-	-	-	-	-	-	(0.02)
Gas Storage	(403,035.01)	(92,881.16)	-	(266,306.79)	-	533,153.34	-	-	(229,069.62)
Gas Stored Nonrecoverable	(3,061,349.14)	(17,350.40)	-	-	-	56,744.63	-	-	(3,021,954.91)
Gas Transmission	-	-	-	-	-	-	-	-	-
Non Utility Property	(320,303,662.54)	(21,430,959.61)	-	(266,306.79)	-	20,314,614.36	-	-	(321,686,314.58)

November 20, 2009

Louisville Gas and Electric Company
Summary of Utility Plant - Reserve for Depreciation of Utility Plant
October 31, 2009

	Beginning Balance	Accruals	Retirements	Transfers/ Adjustments	RWIP Transfers Out	Cost of Removal	Salvage	Other Credits	Ending Balance
Salvage									
Common General Plant	301,592.06	5,916.18	-	-	-	-	(29,830.00)	-	277,678.24
Electric Distribution	15,611,295.13	1,027,850.55	-	-	-	-	(361,108.79)	-	16,278,036.89
Electric General Plant	132,019.58	3,618.67	-	-	-	-	-	-	135,638.25
Electric Hydro Production	433,316.55	-	-	-	-	-	(56,678.38)	-	376,638.17
Electric Other Production	2,644.83	-	-	-	-	-	(21,643.50)	-	(18,998.67)
Electric Steam Production	18,799,865.84	1,598,824.17	-	-	-	-	(430,232.93)	-	19,968,457.08
Electric Transmission	5,876,238.22	192,926.28	-	-	-	-	(3,534.38)	-	6,065,630.12
Gas Distribution	3,219,085.53	161,153.52	-	-	-	-	(1,730.35)	-	3,378,508.70
Gas General Plant	220,201.71	3,335.47	-	-	-	-	-	-	223,537.18
Gas Storage	236,769.87	13,124.00	-	-	-	-	-	-	249,893.87
Gas Stored Nonrecoverable	-	-	-	-	-	-	-	-	-
Gas Transmission	208,728.61	3,653.13	-	-	-	-	-	-	212,381.74
Non Utility Property	-	-	-	-	-	-	-	-	-
	<u>45,041,757.93</u>	<u>3,010,401.97</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>(904,758.33)</u>	<u>-</u>	<u>47,147,401.57</u>
Total Reserves									
Common	(68,347,826.81)	(10,889,557.25)	2,228,265.73	57,791.12	-	114,447.53	(29,830.00)	(64,419.00)	(76,931,128.68)
Electric	(1,647,424,513.80)	(84,407,430.93)	19,335,048.30	(42,696.11)	-	19,381,009.24	(873,197.98)	(208,093.23)	(1,694,239,874.51)
Gas	(223,486,123.70)	(12,178,407.39)	5,167,727.26	(266,306.79)	-	819,157.59	(1,730.35)	-	(229,945,683.38)
	<u>(1,939,258,464.31)</u>	<u>(107,475,395.57)</u>	<u>26,731,041.29</u>	<u>(251,211.78)</u>	<u>-</u>	<u>20,314,614.36</u>	<u>(904,758.33)</u>	<u>(272,512.23)</u>	<u>(2,001,116,686.57)</u>
Retirement Work in Progress									
Common	(9,092,255.82)	-	-	(76,373.17)	(20,198.53)	257,265.10	(41,860.76)	(70,400.00)	(9,043,823.18)
Electric	28,458,992.95	-	-	2,530,352.36	(18,299,718.03)	6,313,928.00	(382,665.64)	(535,471.50)	18,085,418.14
Gas	4,095,496.74	-	-	41,422.73	(817,427.24)	1,424,607.55	(4,201.51)	0.00	4,739,898.27
	<u>23,462,233.87</u>	<u>-</u>	<u>-</u>	<u>2,495,401.92</u>	<u>(19,137,343.80)</u>	<u>7,995,800.65</u>	<u>(428,727.91)</u>	<u>(605,871.50)</u>	<u>13,781,493.23</u>
YTD ACTIVITY	<u>(1,915,796,230.44)</u>	<u>(107,475,395.57)</u>	<u>26,731,041.29</u>	<u>2,244,190.14</u>	<u>(19,137,343.80)</u>	<u>28,310,415.01</u>	<u>(1,333,486.24)</u>	<u>(878,383.73)</u>	<u>(1,987,335,193.34)</u>
Amortization									
Common	(23,433,131.46)	(6,549,248.67)	13,110,855.89	-	-	-	-	-	(16,871,524.24)
Electric	(100.00)	-	-	-	-	-	-	-	(100.00)
Gas	(800.00)	-	-	-	-	-	-	-	(800.00)
	<u>(23,434,031.46)</u>	<u>(6,549,248.67)</u>	<u>13,110,855.89</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>(16,872,424.24)</u>
AMORTIZATION TOTAL									
	<u>(1,939,230,261.90)</u>	<u>(114,024,644.24)</u>	<u>39,841,897.18</u>	<u>2,244,190.14</u>	<u>(19,137,343.80)</u>	<u>28,310,415.01</u>	<u>(1,333,486.24)</u>	<u>(878,383.73)</u>	<u>(2,004,207,617.58)</u>
Depreciation & Amortization Total									
	<u>(1,939,230,261.90)</u>	<u>(114,024,644.24)</u>	<u>39,841,897.18</u>	<u>2,244,190.14</u>	<u>(19,137,343.80)</u>	<u>28,310,415.01</u>	<u>(1,333,486.24)</u>	<u>(878,383.73)</u>	<u>(2,004,207,617.58)</u>
Depr. & Amort - Nonutility for Balance Sheet									
	<u>(2,567,298,455.89)</u>								<u>(2,004,144,257.22)</u>
Utility Plant at Original Cost Less Reserve for Depreciation & Amortization (Excl nonutility)									
	<u>2,606,736,711.70</u>								<u>2,606,736,711.70</u>

LG&E Monthly Report to KPSC – September 30, 2009

LOUISVILLE GAS AND ELECTRIC COMPANY

Financial Reports

September 30, 2009

Prepared by Regulatory Accounting and Reporting

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Financial and Operating Reports
Louisville Gas and Electric Company
September 30, 2009

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Louisville Gas and Electric Company
Comparative Statement of Income
September 30, 2009

	Current Month		
	This Year Amount	Last Year Amount	Increase or Decrease Amount %
Electric Operating Revenues.....	77,199,254.83	85,189,540.68	(7,990,285.85) (9.38)
Gas Operating Revenues.....	9,841,989.12	17,663,046.59	(7,821,057.47) (44.28)
Total Operating Revenues.....	<u>87,041,243.95</u>	<u>102,852,587.27</u>	<u>(15,811,343.32)</u> (15.37)
Fuel for Electric Generation.....	26,725,530.10	29,539,626.35	(2,814,096.25) (9.53)
Power Purchased.....	2,785,101.07	10,665,770.94	(7,880,669.87) (73.89)
Gas Supply Expenses.....	3,371,072.45	12,806,194.01	(9,435,121.56) (73.68)
Other Operation Expenses.....	18,572,774.74	13,057,172.03	5,515,602.71 42.24
Maintenance.....	(34,675,170.65)	22,356,413.94	(57,031,584.59) (255.10)
Depreciation.....	10,849,012.57	10,320,097.26	528,915.31 5.13
Amortization Expense.....	702,546.82	521,984.07	180,562.75 34.59
Regulatory Credits.....	(188,798.02)	(174,164.56)	(14,633.46) (8.40)
Taxes			
Federal Income.....	(3,397,548.55)	(9,524,420.55)	6,126,872.00 64.33
State Income.....	(168,603.06)	(5,151,098.06)	4,982,495.00 96.73
Deferred Federal Income - Net.....	29,621,466.01	6,187,821.64	23,433,644.37 378.71
Deferred State Income - Net.....	4,637,955.61	917,244.09	3,720,711.52 405.64
Property and Other.....	2,216,448.95	2,228,638.88	(12,189.93) (0.55)
Investment Tax Credit.....	769,517.00	2,592,028.00	(1,822,511.00) (70.31)
Amortization of Investment Tax Credit.....	(254,733.84)	(336,259.16)	81,525.32 24.24
Loss (Gain) from Disposition of Allowances.....	-	-	-
Accretion Expense.....	166,387.93	159,409.93	6,978.00 4.38
Total Operating Expenses.....	<u>61,732,959.13</u>	<u>96,166,458.81</u>	<u>(34,433,499.68)</u> (35.81)
Net Operating Income.....	25,308,284.82	6,686,128.46	18,622,156.36 278.52
Other Income Less Deductions.....	8,535,652.67	6,348,436.56	2,187,216.11 34.45
Income Before Interest Charges.....	<u>33,843,937.49</u>	<u>13,034,565.02</u>	<u>20,809,372.47</u> 159.65
Interest on Long-term Debt.....	3,673,241.51	3,046,965.97	626,275.54 20.55
Amortization of Debt Expense - Net.....	124,243.96	121,561.29	2,682.67 2.21
Other Interest Expenses.....	225,569.89	820,577.78	(595,007.89) (72.51)
Total Interest Charges.....	<u>4,023,055.36</u>	<u>3,989,105.04</u>	<u>33,950.32</u> 0.85
Net Income.....	<u><u>29,820,882.13</u></u>	<u><u>9,045,459.98</u></u>	<u><u>20,775,422.15</u></u> 229.68

October 21, 2009

Louisville Gas and Electric Company
Comparative Statement of Income
September 30, 2009

	Year to Date		
	This Year Amount	Last Year Amount	Increase or Decrease Amount %
Electric Operating Revenues.....	711,503,260.60	747,508,639.40	(36,005,378.80) (4.82)
Gas Operating Revenues.....	275,929,785.10	299,207,176.91	(23,277,391.81) (7.78)
Total Operating Revenues.....	987,433,045.70	1,046,715,816.31	(59,282,770.61) (5.66)
Fuel for Electric Generation.....	256,538,800.91	256,366,661.79	172,139.12 0.07
Power Purchased.....	43,049,414.00	73,098,941.29	(30,049,527.29) (41.11)
Gas Supply Expenses.....	194,317,868.58	227,565,474.93	(33,247,606.35) (14.61)
Other Operation Expenses.....	165,027,478.17	144,983,468.75	20,044,009.42 13.83
Maintenance.....	66,594,867.05	87,198,910.89	(20,604,043.84) (23.63)
Depreciation.....	96,206,175.85	90,615,650.15	5,590,525.70 6.17
Amortization Expense.....	5,846,342.68	4,303,053.69	1,543,288.99 35.87
Regulatory Credits.....	(1,666,414.89)	(1,539,333.25)	(127,081.64) (8.26)
Taxes			
Federal Income.....	8,101,082.87	19,345,975.19	(11,244,892.32) (58.13)
State Income.....	2,573,580.90	323,115.96	2,250,464.94 696.49
Deferred Federal Income - Net.....	33,152,041.07	9,715,363.07	23,436,678.00 241.23
Deferred State Income - Net.....	3,877,068.46	1,309,804.01	2,567,264.45 196.00
Property and Other.....	20,035,189.95	18,693,673.12	1,341,516.83 7.18
Investment Tax Credit.....	2,594,189.98	6,167,028.00	(3,572,838.02) (57.93)
Amortization of Investment Tax Credit.....	(2,292,599.28)	(2,944,239.48)	651,640.20 22.13
Loss (Gain) from Disposition of Allowances.....	(66,274.06)	(456,254.88)	389,980.82 85.47
Accretion Expense.....	1,479,052.06	1,406,544.53	72,507.53 5.16
Total Operating Expenses.....	895,367,864.30	936,153,837.76	(40,785,973.46) (4.36)
Net Operating Income.....	92,065,181.40	110,561,978.55	(18,496,797.15) (16.73)
Other Income Less Deductions.....	20,200,780.19	1,980,010.06	18,220,770.13 920.24
Income Before Interest Charges.....	112,265,961.59	112,541,988.61	(276,027.02) (0.25)
Interest on Long-term Debt.....	33,042,034.28	33,948,204.63	(906,170.35) (2.67)
Amortization of Debt Expense - Net.....	1,116,492.51	1,089,863.66	26,628.85 2.44
Other Interest Expenses.....	2,002,696.31	4,621,378.67	(2,618,682.36) (56.66)
Total Interest Charges.....	36,161,223.10	39,659,446.96	(3,498,223.86) (8.82)
Net Income.....	76,104,738.49	72,882,541.65	3,222,196.84 4.42

October 21, 2009

Louisville Gas and Electric Company
Comparative Statement of Income
September 30, 2009

	Year Ended Current Month		
	This Year Amount	Last Year Amount	Increase or Decrease Amount %
Electric Operating Revenues.....	978,948,961.49	961,959,215.35	16,989,746.14 1.77
Gas Operating Revenues.....	435,087,701.27	412,283,227.89	22,804,473.38 5.53
Total Operating Revenues.....	<u>1,414,036,662.76</u>	<u>1,374,242,443.24</u>	<u>39,794,219.52</u> 2.90
Fuel for Electric Generation.....	344,708,873.57	329,178,785.81	15,530,087.76 4.72
Power Purchased.....	87,858,005.05	95,987,044.10	(8,129,039.05) (8.47)
Gas Supply Expenses.....	319,903,027.63	310,002,307.96	9,900,719.67 3.19
Other Operation Expenses.....	214,111,798.58	189,654,485.08	24,457,313.50 12.90
Maintenance.....	73,921,800.72	112,773,569.67	(38,851,768.95) (34.45)
Depreciation.....	126,942,429.85	121,343,211.60	5,599,218.25 4.61
Amortization Expense.....	7,423,690.73	5,747,887.12	1,675,803.61 29.16
Regulatory Credits.....	(2,193,693.89)	(2,028,414.10)	(165,279.79) (8.15)
Taxes			
Federal Income.....	28,798,517.36	20,745,671.68	8,052,845.68 38.82
State Income.....	6,532,889.33	433,186.77	6,099,702.56 1,408.10
Deferred Federal Income - Net.....	21,171,561.69	16,562,850.08	4,608,711.61 27.83
Deferred State Income - Net.....	73,768.81	2,102,217.53	(2,028,448.72) (96.49)
Property and Other.....	25,298,589.18	23,641,143.29	1,657,445.89 7.01
Investment Tax Credit.....	4,548,189.98	6,367,028.00	(1,818,838.02) (28.57)
Amortization of Investment Tax Credit.....	(3,219,279.87)	(3,925,652.57)	706,372.70 17.99
Loss (Gain) from Disposition of Allowances.....	(66,274.06)	(456,254.88)	389,980.82 85.47
Accretion Expense.....	1,962,067.20	1,851,567.92	110,499.28 5.97
Total Operating Expenses.....	<u>1,257,775,961.86</u>	<u>1,229,980,635.06</u>	<u>27,795,326.80</u> 2.26
Net Operating Income.....	156,260,700.90	144,261,808.18	11,998,892.72 8.32
Other Income Less Deductions.....	<u>(12,997,990.01)</u>	<u>1,352,119.62</u>	<u>(14,350,109.63)</u> (1,061.30)
Income Before Interest Charges.....	143,262,710.89	145,613,927.80	(2,351,216.91) (1.61)
Interest on Long-term Debt.....	42,204,201.08	45,297,098.89	(3,092,897.81) (6.83)
Amortization of Debt Expense - Net.....	1,612,255.12	1,451,658.55	160,596.57 11.06
Other Interest Expenses.....	6,023,776.86	6,137,930.27	(114,153.41) (1.86)
Total Interest Charges.....	<u>49,840,233.06</u>	<u>52,886,687.71</u>	<u>(3,046,454.65)</u> (5.76)
Net Income.....	<u>93,422,477.83</u>	<u>92,727,240.09</u>	<u>695,237.74</u> 0.75

October 21, 2009

Louisville Gas and Electric Company
Analysis of Retained Earnings
September 30, 2009

	Current Month		Year to Date		Year Ended Current Month	
	This Year	Last Year	This Year	Last Year	This Year	Last Year
Balance at Beginning of Period.....	706,445,527.55	713,798,471.87	740,161,671.19	689,961,390.20	722,843,931.85	670,172,687.76
Add:						
Net Income for Period.....	29,820,882.13	9,045,459.98	76,104,738.49	72,882,541.65	93,422,477.83	92,727,240.09
FIN 48 Adjustment.....	-	-	-	-	-	(55,996.00)
Deduct:						
Adjustment to Retained Earnings.....	-	-	-	-	-	-
Common Dividends	-	-	-	-	-	-
Common Stock Without Par Value.....	-	-	80,000,000.00	40,000,000.00	80,000,000.00	40,000,000.00
Balance at End of Period.....	<u>736,266,409.68</u>	<u>722,843,931.85</u>	<u>736,266,409.68</u>	<u>722,843,931.85</u>	<u>736,266,409.68</u>	<u>722,843,931.85</u>

October 21, 2009

Louisville Gas and Electric Company
Comparative Balance Sheets as of September 30, 2009 and 2008

	This Year	Last Year	Liabilities and Other Credits	This Year	Last Year
Assets and Other Debits					
Utility Plant			Capitalization		
Utility Plant at Original Cost.....	4,595,052,943.54	4,465,001,599.27	Common Stock.....	425,170,424.09	425,170,424.09
Less Reserves for Depreciation and Amortization.....	1,996,213,056.94	1,938,506,430.03	Common Stock Expense.....	(835,888.64)	(835,888.64)
Total.....	2,598,839,886.60	2,526,495,169.24	Paid-In Capital.....	83,432,855.00	60,000,000.00
			Other Comprehensive Income.....	(11,615,608.56)	(11,013,046.35)
			Retained Earnings.....	736,266,409.68	722,843,931.85
Investments			Total Common Equity.....	1,232,418,191.57	1,196,165,420.95
Ohio Valley Electric Corporation.....	594,286.00	594,286.00	Pollution Control Bonds - Net of Recquired Bonds	411,104,000.00	315,104,000.00
Nonutility Property-Less Reserve.....	11,879.20	11,879.20	LT Notes Payable to Associated Companies.....	485,000,000.00	435,000,000.00
Special Funds.....	15,717,611.22	13,050,793.25	Total Long-term Debt.....	896,104,000.00	750,104,000.00
Other.....	-	14,921,226.00	Total Capitalization.....	2,128,522,191.57	1,946,269,420.95
Total.....	16,323,776.42	28,578,184.45			
			Current and Accrued Liabilities		
Current and Accrued Assets			ST Notes Payable to Associated Companies.....	149,360,400.00	344,663,200.00
Cash.....	6,167,690.31	3,723,553.27	Accounts Payable.....	59,486,716.83	107,994,984.17
Special Deposits.....	1,034,918.24	8,919,712.52	Accounts Payable to Associated Companies.....	27,019,133.50	38,138,829.74
Temporary Cash Investments.....	119.71	36,650.67	Customer Deposits.....	22,659,269.41	21,043,464.52
Accounts Receivable-Less Reserve.....	115,442,292.72	164,968,288.10	Taxes Accrued.....	14,517,301.87	13,819,750.99
Accounts Receivable from Associated Companies.....	882,522.61	74,557.53	Interest Accrued.....	3,935,452.83	2,928,974.54
Materials and Supplies-At Average Cost			ST Obligations Under Capital Leases.....	-	118,248.56
Fuel.....	56,530,203.51	35,020,104.32	Miscellaneous Current and Accrued Liabilities.....	17,876,979.83	14,224,652.15
Plant Materials and Operating Supplies.....	29,292,414.41	27,926,692.63	Total.....	294,855,254.27	542,932,104.67
Stores Expense.....	4,121,801.13	4,436,313.75			
Gas Stored Underground.....	59,586,877.53	127,180,582.13	Deferred Credits and Other		
Allowance Inventory.....	4,455.32	9,620.41	Accumulated Deferred Income Taxes.....	439,349,468.13	402,121,254.65
Prepayments.....	4,361,743.91	4,167,284.71	Investment Tax Credit.....	50,650,660.83	49,321,750.72
Miscellaneous Current and Accrued Assets.....	1,366,935.66	1,176,872.46	Regulatory Liabilities.....	94,758,124.48	56,690,668.67
Total.....	278,791,975.06	377,640,232.50	Customer Advances for Construction.....	9,353,904.50	14,075,698.31
			Asset Retirement Obligations.....	32,975,218.26	30,745,892.65
Deferred Debits and Other			Other Deferred Credits.....	38,239,321.91	38,565,173.13
Unamortized Debt Expense.....	3,900,548.98	4,060,476.26	Miscellaneous Long-term Liabilities.....	42,868,610.01	29,596,815.55
Unamortized Loss on Bonds.....	23,421,604.90	24,036,680.51	Accum Provision for Postretirement Benefits.....	215,627,563.46	93,263,093.42
Accumulated Deferred Income Taxes.....	60,024,074.99	40,214,532.25	Total.....	923,822,871.58	714,380,347.10
Deferred Regulatory Assets.....	364,917,825.21	153,465,505.03			
Other Deferred Debits.....	980,625.26	49,091,092.48	Total Assets and Other Debits.....	3,347,200,317.42	3,203,581,872.72
Total.....	453,244,679.34	270,868,286.53	Total Liabilities and Other Credits.....	3,347,200,317.42	3,203,581,872.72
Total Assets and Other Debits.....	3,347,200,317.42	3,203,581,872.72			

October 21, 2009

Louisville Gas and Electric Company
Statement of Capitalization and Short-term Debt
September 30, 2009

	Authorized Shares	Issued and Outstanding Shares	Amount		Capital and ST Debt	Percent of Total Capital
Common Equity						
Common Stock - Without Par.....	75,000,000	21,294,223	425,170,424.09			
Common Stock Expense.....			(835,888.64)			
Paid-In Capital.....			83,432,855.00			
Other Comprehensive Income.....			(11,615,608.56)			
Retained Earnings.....			736,266,409.68			
Total Common Equity.....			1,232,418,191.57		54.10	57.90
Long-term Debt						
Pollution Control Bonds						
Jefferson County 2000 Series A due 05/01/27 5.375%.....			25,000,000.00			
Trimble County 2000 Series A due 08/01/30 Var%.....			83,335,000.00			
Jefferson County 2001 Series A due 09/01/26 Var%.....			22,500,000.00			
Jefferson County 2001 Series A due 09/01/27 Var%.....			10,104,000.00			
Trimble County 2001 Series A due 09/01/26 Var%.....			27,500,000.00			
Jefferson County 2001 Series B due 11/01/27 Var%.....			35,000,000.00			
Trimble County 2001 Series B due 11/01/27 Var%.....			35,000,000.00			
Trimble County 2002 Series A due 10/01/32 Var%.....			41,665,000.00			
Louisville Metro 2003 Series A due 10/01/33 Var%.....			128,000,000.00			
Louisville Metro 2005 Series A due 02/01/35 5.750%.....			40,000,000.00			
Louisville Metro 2007 Series A due 06/01/33 5.625%.....			31,000,000.00			
Louisville Metro 2007 Series B due 06/01/33 Var%.....			35,200,000.00			
Trimble County 2007 Series A due 06/01/33 4.600%.....			60,000,000.00			
Total Pollution Control Bonds.....			574,304,000.00		25.22	26.98
Less Reacquired Bonds						
Louisville Metro 2003 Series A due 10/01/33 Var%.....			(128,000,000.00)			
Louisville Metro 2007 Series B due 06/01/33 Var%.....			(35,200,000.00)			
			(163,200,000.00)		(7.17)	(7.67)
Total Pollution Control Bonds - Net of Reacquired Bonds.....			411,104,000.00		18.05	19.31
Long-term Notes Payable to Associated Companies.....			485,000,000.00		21.29	22.79
Total Capitalization.....			2,128,522,191.57		93.44	100.00
Short-term Notes Payable to Associated Companies.....			149,360,400.00		6.56	
Total Capitalization and Short-term Debt.....			2,277,882,591.57		100.00	

October 21, 2009

Louisville Gas and Electric Company
Summary Trial Balance
September 30, 2009

<u>Account - Subsidiary Account</u>	<u>Balance Subsidiary Account</u>	<u>Balance as Shown on Balance Sheets</u>
Utility Plant		
At Original Cost.....	4,595,052,943.54	4,595,052,943.54
Reserves for Depreciation and Amortization.....		(1,996,213,056.94)
Depreciation of Plant		
Electric.....	(1,668,929,769.92)	
Gas.....	(226,280,834.27)	
Common.....	(84,832,934.50)	
Amortization of Plant		
Common.....	(16,168,618.25)	
Gas.....	(800.00)	
Electric.....	(100.00)	
Investments.....		16,323,776.42
Special Funds.....	15,717,611.22	
Ohio Valley Electric Corporation.....	594,286.00	
Nonutility Property.....	75,239.56	
Nonutility Property Reserve.....	(63,360.36)	
Cash.....	6,167,690.31	6,167,690.31
Special Deposits.....		1,034,918.24
Other Special Deposits.....	1,034,918.24	
Temporary Cash Investments.....	119.71	119.71
Accounts Receivable - Less Reserve.....		115,442,292.72
Customers - Active.....	56,652,397.94	
Unbilled Revenues.....	48,224,288.58	
Sundry Accounts Receivable.....	3,216,416.13	
Electricity Swaps.....	2,455,104.00	
IMEA.....	1,985,463.67	
IMPA.....	1,962,611.05	
Margin Cash Collateral.....	952,579.88	
Damage Claims.....	471,553.96	
Wholesale Sales.....	437,356.01	
Transmission Sales.....	231,259.77	
Employee Computer Loans.....	69,171.16	
Interest and Dividends Receivable.....	43,023.26	
Rents Receivable.....	36,659.20	
Working Funds.....	20,630.00	
Reserves for Uncollectible Accounts		
Utility Customers		
Charged Off.....	4,017,263.02	
A/R Miscellaneous.....	(673,502.00)	
Reserve.....	(951,662.00)	
Recoveries.....	(1,164,076.19)	
Accrual.....	(2,853,003.83)	
Other.....	308,759.11	
Accounts Receivable from Associated Companies.....		882,522.61
E.ON US Services/Kentucky Utilities Company.....	882,522.61	
Fuel.....		56,530,203.51
Coal 1,414,073.81 Tons @ \$39.61; MMBtu 32,250,928.89 @ 173.68¢.....	56,014,042.68	
Fuel Oil 235,513 Gallons @ 172.40¢.....	406,017.98	
Gas Pipeline 4,800.00 Mcf @ \$22.95.....	110,142.85	
Plant Materials and Operating Supplies.....		29,292,414.41
Regular Materials and Supplies.....	28,919,627.91	
Limestone 44,988.91 Tons @ \$8.29.....	372,786.50	

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Louisville Gas and Electric Company
Summary Trial Balance
September 30, 2009

<u>Account - Subsidiary Account</u>	<u>Balance Subsidiary Account</u>	<u>Balance as Shown on Balance Sheets</u>
Stores Expense Undistributed.....	4,121,801.13	4,121,801.13
Gas Stored Underground - Current.....		59,586,877.53
Gas St. Underground* 12,169,698 Mcf (14.73 psia) @ \$ 4.90.....	59,586,877.53	
Allowance Inventory.....	4,455.32	4,455.32
Prepayments.....		4,361,743.91
Taxes.....	1,455,078.80	
Insurance.....	620,609.64	
Rights of Way.....	253,333.37	
Risk Management and Workers Compensation.....	90,000.00	
Vehicle License.....	31,663.75	
Franchises.....	22,534.08	
Other.....	1,888,524.27	
Miscellaneous Current Assets.....		1,366,935.66
Derivative Asset - Non-Hedging.....	1,366,935.66	
Unamortized Debt Expense.....		3,900,548.98
Trimble County 2000 Series A due 08/01/30 Var%.....	767,576.75	
Jefferson County 2001 Series A due 09/01/26 Var%.....	157,953.36	
Jefferson County 2001 Series A due 09/01/27 Var%.....	344,953.22	
Trimble County 2001 Series A due 09/01/26 Var%.....	171,740.63	
Jefferson County 2001 Series B due 11/01/27 Var%.....	187,835.51	
Trimble County 2001 Series B due 11/01/27 Var%.....	187,866.32	
Trimble County 2002 Series A due 10/01/32 Var%.....	818,850.85	
Trimble County 2007 Series A due 06/01/33 4.600%.....	1,077,560.66	
Short-term portion.....	186,211.68	
Unamortized Loss on Bonds.....	23,421,604.90	23,421,604.90
Accumulated Deferred Income Taxes.....		60,024,074.99
Federal.....		
Electric.....	45,264,703.36	
Gas.....	5,429,492.33	
Common.....	240,879.92	
State.....		
Electric.....	8,096,875.61	
Gas.....	990,180.97	
Common.....	1,942.80	
Regulatory Assets.....		364,917,825.21
Pension and Postretirement Benefits.....	249,597,539.00	
2009 Winter Storm.....	43,861,320.60	
Asset Retirement Obligations.....		
Electric.....	21,027,426.89	
Gas.....	8,429,394.35	
Common.....	25,876.02	
Wind Storm.....	23,540,332.79	
MISO Exit Fee.....	6,008,561.58	
Environmental Cost Recovery.....	5,789,844.00	
Gas Supply Clause/PBR.....	3,119,754.22	
ECR Ash Hauling.....	1,200,298.15	
Rate Case Expenses.....	799,312.12	
KCCS Funding.....	769,220.61	
EKPC FERC Transmission Costs.....	748,944.88	
Other Deferred Debits.....	980,625.26	980,625.26
Total Assets and Other Debits.....	<u>3,347,200,317.42</u>	<u>3,347,200,317.42</u>

* Excludes:		\$	Mcf
Non-recoverable Base Gas	9,648,855.00		7,880,000
Recoverable Base Gas	<u>2,139,990.00</u>		<u>2,930,000</u>
	11,788,845.00		10,810,000

Louisville Gas and Electric Company
Summary Trial Balance
September 30, 2009

<u>Account - Subsidiary Account</u>	<u>Balance Subsidiary Account</u>	<u>Balance as Shown on Balance Sheets</u>
Common Equity.....		1,232,418,191.57
Common Stock.....	425,170,424.09	
Common Stock Expense.....	(835,888.64)	
Paid-In Capital.....	83,432,855.00	
Other Comprehensive Income.....	(11,615,608.56)	
Retained Earnings.....	736,266,409.68	
Bonds.....	411,104,000.00	411,104,000.00
Long-term Notes Payable to Associated Companies.....	485,000,000.00	485,000,000.00
Short-term Notes Payable to Associated Companies.....	149,360,400.00	149,360,400.00
Accounts Payable.....		59,486,716.83
Regular.....	56,972,003.54	
Salaries and Wages Accrued.....	2,545,942.28	
Employee Withholdings Payable.....	(31,228.99)	
Accounts Payable to Associated Companies.....		27,019,133.50
E.ON US Services/Kentucky Utilities Company.....	17,989,282.94	
Fidelia.....	9,029,850.56	
Customers' Deposits.....	22,659,269.41	22,659,269.41
Taxes Accrued.....	14,517,301.87	14,517,301.87
Interest Accrued.....		3,935,452.83
Jefferson County 2000 Series A due 05/01/27 5.375%.....	559,895.92	
Trimble County 2000 Series A due 08/01/30 Var%.....	10,416.89	
Jefferson County 2001 Series A due 09/01/26 Var%.....	26,352.77	
Jefferson County 2001 Series A due 09/01/27 Var%.....	123.59	
Trimble County 2001 Series A due 09/01/26 Var%.....	58,315.05	
Jefferson County 2001 Series B due 11/01/27 Var%.....	92,054.77	
Trimble County 2001 Series B due 11/01/27 Var%.....	92,055.08	
Trimble County 2002 Series A due 10/01/32 Var%.....	4,400.48	
Louisville Metro 2003 Series A 11/20/03 due 10/01/33 Var%.....	(0.01)	
Louisville Metro 2005 Series A due 02/01/35 5.750%.....	376,944.54	
Louisville Metro 2007 Series A due 06/01/33 5.625%.....	581,250.05	
Trimble County 2007 Series A due 06/01/33 4.600%.....	920,000.00	
Louisville Metro 2007 Series B 04/26/07 due 06/01/33 Var%.....	0.01	
Interest Rate Swaps.....	638,088.91	
Customers' Deposits.....	468,560.86	
Other.....	106,993.92	
Miscellaneous Current and Accrued Liabilities.....		17,876,979.83
Vacation Pay Accrued.....	5,371,018.81	
Customer Overpayments.....	4,661,296.17	
Postretirement Benefits - Current.....	3,411,968.00	
No-Notice Gas Payable.....	2,441,884.94	
Tax Collections Payable.....	694,583.52	
Derivative Liabilities - Non-Hedging.....	624,955.59	
Unearned Revenue - Current.....	577,333.15	
Other.....	93,939.65	

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Louisville Gas and Electric Company
Summary Trial Balance
September 30, 2009

<u>Account - Subsidiary Account</u>	<u>Balance Subsidiary Account</u>	<u>Balance as Shown on Balance Sheets</u>
Accumulated Deferred Income Taxes.....		439,349,468.13
Federal		
Electric.....	330,932,726.48	
Gas.....	47,359,077.64	
Common.....	240,879.92	
State		
Electric.....	54,002,376.17	
Gas.....	6,812,465.12	
Common.....	1,942.80	
Investment Tax Credit.....		50,650,660.83
Job Development Credit		
Electric.....	27,081,370.71	
Gas.....	874,446.14	
Advanced Coal Credit.....	22,694,843.98	
Regulatory Liabilities.....		94,758,124.48
Deferred Taxes		
Federal		
Electric.....	21,014,015.60	
Gas.....	1,486,530.19	
State		
Electric.....	16,665,581.46	
Gas.....	2,588,304.73	
Gas Supply Clause/PBR.....	37,214,499.92	
DSM Cost Recovery.....	8,158,380.38	
Asset Retirement Obligations		
Electric.....	2,616,916.55	
Gas.....	697,502.57	
MISO Schedule 10 Charges.....	3,029,393.08	
Fuel Adjustment Clause.....	1,287,000.00	
Customers' Advances for Construction.....		9,353,904.50
Line Extensions		
Gas.....	7,568,283.78	
Electric.....	1,080,029.00	
Customer Advances - Museum Plaza.....	705,591.72	
Asset Retirement Obligations		32,975,218.26
Electric.....	24,381,741.03	
Gas.....	8,565,091.41	
Common.....	28,385.82	
Other Deferred Credits.....	38,239,321.91	38,239,321.91
Miscellaneous Long-term Liabilities.....		42,868,610.01
Long-term Derivative Liabilities - SFAS 133.....	37,532,030.54	
Workers' Compensation.....	5,336,579.47	
Accumulated Provision for Benefits.....		215,627,563.46
Pension Payable.....	135,235,667.00	
Postretirement Benefits - SFAS 106.....	76,816,164.46	
Post Employment Benefits Payable.....	3,747,857.00	
Post Employment Medicare Subsidy.....	(172,125.00)	
Total Liabilities and Other Credits.....	<u>3,347,200,317.42</u>	<u>3,347,200,317.42</u>

October 21, 2009

Louisville Gas and Electric Company
Statement of Cash Flows
September 30, 2009

	Year to Date	
	2009	2008
Cash Flows from Operating Activities		
Net income.....	76,104,738.49	72,882,541.65
Items not requiring (providing) cash currently:		
Depreciation.....	96,206,175.85	90,615,650.15
Amortization.....	5,846,342.68	4,303,053.69
Deferred income taxes - net.....	37,029,109.53	11,025,167.08
Investment tax credit - net.....	301,590.70	3,222,788.52
Other.....	10,855,587.43	9,221,182.63
Change in receivables.....	87,215,722.50	30,284,224.44
Change in inventory.....	45,350,919.86	(36,457,642.10)
Change in allowance inventory.....	1,504.89	1,839.06
Change in payables and accrued expenses.....	(57,120,513.18)	(2,859,076.48)
Change in regulatory assets.....	(47,678,148.38)	(2,443,455.75)
Change in regulatory liabilities.....	38,491,893.32	1,575,131.05
Change in other deferred debits.....	40,423,204.44	(14,268,593.52)
Change in other deferred credits.....	(5,412,694.54)	19,195,855.72
Other.....	(46,133,396.08)	(11,051,555.01)
Gain on disposal of assets.....	(87,386.06)	(8,757,464.56)
Net cash provided (used) by operating activities.....	<u>281,394,651.45</u>	<u>166,489,646.57</u>
Cash Flows from Investing Activities		
Gross additions to utility plant - construction expenditures.....	(116,910,582.52)	(141,915,378.28)
Gross additions to common utility plant - construction expenditures.....	(10,605,133.06)	(25,845,147.13)
Change in restricted cash.....	-	(1,037,609.14)
Change in non-hedging derivatives.....	855,451.86	4,313,155.07
Proceeds received from sales of property.....	94,299.98	9,125,685.00
Net cash provided (used) by investing activities.....	<u>(126,565,963.74)</u>	<u>(155,359,294.48)</u>
Cash Flows from Financing Activities		
Proceeds from issuance of long-term debt.....	(212,379.07)	24,811,340.44
Net change in short-term debt.....	(72,638,800.00)	266,422,000.00
Net change in derivative liabilities.....	-	(2,112,304.00)
Payments for reacquisition of long-term debt.....	-	(259,200,000.00)
Net change in short-term capital lease obligations.....	(23,650.00)	(287,189.13)
Net change in long-term capital lease obligations.....	-	(23,649.00)
Net change in restricted cash.....	-	(1,328,765.34)
Contributed capital.....	(97,537.00)	-
Dividends on common stock.....	(80,000,000.00)	(40,000,000.00)
Net cash provided (used) by financing activities.....	<u>(152,972,366.07)</u>	<u>(11,718,567.03)</u>
Net Increase (Decrease) in Cash and Cash Equivalents.....	1,856,321.64	(588,214.94)
Cash and Cash Equivalents at Beginning of Period.....	<u>4,311,488.37</u>	<u>4,348,418.88</u>
Cash and Cash Equivalents at End of Period.....	<u>6,167,810.01</u>	<u>3,760,203.94</u>

October 21, 2009

Louisville Gas and Electric Company
Analysis of Interest Charges
September 30, 2009

	Current Month		Year to Date		Year Ended Current Month	
	This Year	Last Year	This Year	Last Year	This Year	Last Year
Interest on Long-term Debt						
Loan Agreement - Pollution Control Bonds						
Jefferson County 2000 Series A due 05/01/27 5.375%.....	111,979.17	-	1,007,812.53	539,670.12	1,142,189.60	776,788.17
Trimble County 2000 Series A due 08/01/30 Var%.....	22,917.12	224,032.27	239,634.44	2,227,674.20	614,097.96	3,163,357.58
Jefferson County 2001 Series A due 09/01/26 Var%.....	17,568.49	31,352.47	191,088.05	420,427.84	295,911.63	622,554.69
Jefferson County 2001 Series A due 09/01/27 Var%.....	1,498.92	27,324.86	33,002.66	248,430.14	73,179.82	350,971.73
Trimble County 2001 Series A due 09/01/26 Var%.....	20,342.48	38,319.67	234,945.91	513,856.19	363,063.63	760,900.10
Jefferson County 2001 Series B due 11/01/27 Var%.....	34,520.55	50,204.92	285,883.10	667,961.73	439,954.90	984,767.77
Trimble County 2001 Series B due 11/01/27 Var%.....	34,520.55	50,204.92	285,883.10	667,961.73	439,954.90	982,897.92
Trimble County 2002 Series A due 10/01/32 Var%.....	10,085.21	123,731.39	151,473.41	1,212,523.25	390,169.47	1,651,375.57
Louisville Metro 2003 Series A due 10/01/33 Var%.....	(5,409.06)		(48,681.54)	3,567,377.73	(736,993.96)	4,803,459.51
Louisville Metro 2005 Series A due 02/01/35 5.750%.....	191,666.67	-	1,725,000.02	495,511.11	1,955,000.03	857,600.01
Louisville Metro 2007 Series A due 06/01/33 5.625%.....	145,312.50	-	1,307,812.50	496,799.20	1,482,187.52	791,428.36
Louisville Metro 2007 Series B due 06/01/33 Var%.....	-	-	(0.03)	568,520.74	(0.03)	902,705.64
Trimble County 2007 Series A due 06/01/33 4.600%.....	230,000.00	230,000.00	2,070,000.02	2,080,603.33	2,760,000.02	2,755,270.01
Interest Rate Swaps.....	638,088.89	321,645.47	5,576,829.98	3,569,287.38	6,802,685.46	4,050,812.44
Notes/Debentures.....	-	-	-	-	-	119,012.24
Fidelity.....	2,220,150.02	1,950,150.00	19,981,350.13	16,671,599.94	26,182,800.13	21,723,197.15
Total.....	<u>3,673,241.51</u>	<u>3,046,965.97</u>	<u>33,042,034.28</u>	<u>33,948,204.63</u>	<u>42,204,201.08</u>	<u>45,297,098.89</u>
Amortization of Debt Expense - Net						
Amortization of Debt Expense.....	15,517.65	15,412.77	139,309.82	233,415.72	185,548.13	335,106.56
Amortization of Loss on Reacquired Debt.....	108,726.31	106,148.52	977,182.69	856,447.94	1,426,706.99	1,116,551.99
Total.....	<u>124,243.96</u>	<u>121,561.29</u>	<u>1,116,492.51</u>	<u>1,089,863.66</u>	<u>1,612,255.12</u>	<u>1,451,658.55</u>
Other Interest Charges						
Customers' Deposits.....	81,671.86	92,034.61	811,406.89	793,799.72	1,097,002.11	1,045,680.20
Other Tax Deficiencies.....	(12,853.00)	(5,446.00)	(12,853.00)	(3,223.00)	(11,740.00)	(4,965.41)
Gas Refunds.....	-	-	-	-	-	-
Interest on DSM Cost Recovery.....	68,202.11	26,139.00	118,300.02	26,139.00	133,840.11	26,139.00
Interest on Debt to Associated Companies.....	29,735.72	694,431.68	590,643.65	3,687,921.47	3,133,798.51	4,954,335.00
Other Interest Expense.....	58,813.20	13,418.49	495,198.75	116,741.48	1,670,876.13	116,741.48
Total.....	<u>225,569.89</u>	<u>820,577.78</u>	<u>2,002,696.31</u>	<u>4,621,378.67</u>	<u>6,023,776.86</u>	<u>6,137,930.27</u>
Total Interest.....	<u>4,023,055.36</u>	<u>3,989,105.04</u>	<u>36,161,223.10</u>	<u>39,659,446.96</u>	<u>49,840,233.06</u>	<u>52,886,687.71</u>

October 21, 2009

Louisville Gas and Electric Company
Analysis of Taxes Charged and Accrued
September 30, 2009

Kind of Taxes	Current Month		Year To Date	
	This Year	Last Year	This Year	Last Year
Taxes Charged to Accounts 408.1 and 409.1				
Property Taxes.....	1,456,758.89	1,352,184.77	13,208,803.19	12,169,662.93
Unemployment.....	5,351.89	8,429.31	126,604.17	109,758.56
FICA.....	592,662.75	710,488.78	5,236,378.07	4,853,094.77
Public Service Commission Fee.....	161,675.42	157,536.02	1,430,242.37	1,442,301.96
Federal Income.....	(3,397,548.55)	(9,524,420.55)	8,101,082.87	19,345,975.19
State Income.....	(168,603.06)	(5,151,098.06)	2,573,580.90	323,115.96
Miscellaneous.....	-	-	33,162.15	118,854.90
Total Charged to Operating Expense.....	(1,349,702.66)	(12,446,879.73)	30,709,853.72	38,362,764.27
Taxes Charged to Other Accounts.....	(5,302,532.77)	15,849,975.23	3,567,166.96	23,717,835.46
Taxes Accrued on Intercompany Accounts.....	(250,538.57)	(308,977.26)	(1,960,355.14)	(1,747,447.76)
Total Taxes Charged.....	(6,902,774.00)	3,094,118.24	32,316,665.54	60,333,151.97

Analysis of Taxes Accrued - Account 236

Kind of Taxes	Taxes Accrued	Accruals	Payments	Taxes Accrued
	At Beginning Of Year	To Date This Year	To Date This Year	At End Of Month
Property Taxes.....	9,963,700.60	13,408,581.98	9,775,685.09	13,596,597.49
Unemployment.....	68,978.84	70,654.85	136,935.87	2,697.82
FICA.....	698,416.45	4,497,697.23	4,706,170.04	489,943.64
Federal Income.....	5,330,534.78	9,065,471.93	15,316,728.90	(920,722.19)
State Income.....	1,741,239.63	2,756,669.41	3,401,124.00	1,096,785.04
Kentucky Sales and Use Tax.....	578,874.39	2,394,869.59	2,747,643.54	226,100.44
Miscellaneous.....	-	122,720.55	96,820.92	25,899.63
Totals.....	18,381,744.69	32,316,665.54	36,181,108.36	14,517,301.87

October 21, 2009

Louisville Gas Electric Company
 Summary Utility Plant
 September 30, 2009

	Beginning Balance	Additions	Retirements	Transfers/ Adjustments	Net Additions	Ending Balance
101 Utility Plant In Service						
Common						
Common General Plant	156,628,323.83	7,961,167.30	(2,171,529.32)	-	5,789,637.98	162,417,961.81
Common Intangible Plant	30,504,727.59	43,160,641.05	(13,110,855.89)	-	30,049,785.16	60,554,512.75
	187,133,051.42	51,121,808.35	(15,282,385.21)	-	35,839,423.14	222,972,474.56
Electric						
Electric Distribution	768,525,773.32	73,304,234.01	(4,806,530.43)	1,816,765.29	70,314,468.87	838,840,242.19
Electric General Plant	16,739,305.40	294,293.94	(211,919.75)	-	82,374.19	16,821,679.59
Electric Hydro Production	40,692,754.42	144,671.53	(1,371.95)	743,189.41	886,488.99	41,579,243.41
Electric Intangible Plant	2,340.29	-	-	-	-	2,340.29
Electric Other Production	226,677,788.60	6,117,018.01	(4,926,623.06)	3,381,620.44	4,572,015.39	231,249,803.99
Electric Steam Production	1,957,945,552.56	27,571,599.19	(8,040,411.49)	15,422,227.79	34,953,415.49	1,992,898,968.05
Electric Transmission	256,087,174.79	5,586,411.66	(733,411.97)	(18,486,844.93)	(13,633,845.24)	242,453,329.55
	3,266,670,689.38	113,018,228.34	(18,720,268.65)	2,876,958.00	97,174,917.69	3,363,845,607.07
Gas						
Gas Distribution	473,727,554.77	5,415,445.49	(213,708.01)	-	5,201,737.48	478,929,292.25
Gas General Plant	9,038,472.86	182,720.97	(206,196.86)	-	(23,475.89)	9,014,996.97
Gas Intangible Plant	1,187.49	-	-	-	-	1,187.49
Gas Storage	62,441,928.04	2,701,546.59	(2,316,153.78)	-	385,392.81	62,827,320.85
Gas Transmission	12,901,908.09	761,957.99	(5,662.32)	-	756,295.67	13,658,203.76
	558,111,051.25	9,061,671.04	(2,741,720.97)	-	6,319,950.07	564,431,001.32
Total 101 Accounts	4,011,914,792.05	173,201,707.73	(36,744,374.83)	2,876,958.00	139,334,290.90	4,151,249,082.95
101 Property Under Capital Leases						
Electric Capital Leased Property	2,876,958.00	-	-	(2,876,958.00)	(2,876,958.00)	-
Electric Steam Production	2,876,958.00	-	-	(2,876,958.00)	(2,876,958.00)	-
Total 101101	2,876,958.00	-	-	(2,876,958.00)	(2,876,958.00)	-
105 Plant Held for Future Use						
Electric						
Electric Distribution	649,014.48	-	-	-	-	649,014.48
Electric Steam Production	4,182,559.70	-	-	-	-	4,182,559.70
	4,831,574.18	-	-	-	-	4,831,574.18
Total 105001	4,831,574.18	-	-	-	-	4,831,574.18

Louisville Gas & Electric Company
 Summary
 September 30, 2009

	Beginning Balance	Additions	Retirements	Transfers/Adjustments	Net Additions	Ending Balance
106 Completed Construction Not Classified						
Common						
Common General Plant	1,922,810.85	(862,023.63)	-	-	(862,023.63)	1,060,787.22
Common Intangible Plant	1,374,736.40	546,803.76	-	-	546,803.76	1,921,540.16
	<u>3,297,547.25</u>	<u>(315,219.87)</u>	-	-	<u>(315,219.87)</u>	<u>2,982,327.38</u>
Electric						
Electric Distribution	53,528,201.00	(12,387,058.58)	-	-	(12,387,058.58)	41,141,142.42
Electric General Plant	121,321.11	(121,321.11)	-	-	(121,321.11)	-
Electric Hydro Production	56,785.36	(39,833.10)	-	-	(39,833.10)	16,952.26
Electric Intangible Plant	-	-	-	-	-	-
Electric Other Production	123,654.81	(123,654.81)	-	-	(123,654.81)	-
Electric Steam Production	13,060,279.51	(3,666,557.28)	-	-	(3,666,557.28)	9,393,722.23
Electric Transmission	1,573,129.06	(487,317.26)	-	-	(487,317.26)	1,085,811.80
	<u>68,463,370.85</u>	<u>(16,825,742.14)</u>	-	-	<u>(16,825,742.14)</u>	<u>51,637,628.71</u>
Gas						
Gas Distribution	37,599,096.45	5,548,955.41	-	-	5,548,955.41	43,148,051.86
Gas General Plant	-	181,990.95	-	-	181,990.95	181,990.95
Gas Intangible Plant	-	-	-	-	-	-
Gas Storage	1,318,828.23	3,348,421.79	-	-	3,348,421.79	4,667,250.02
Gas Transmission	-	1,233,417.49	-	-	1,233,417.49	1,233,417.49
	<u>38,917,924.68</u>	<u>10,312,785.64</u>	-	-	<u>10,312,785.64</u>	<u>49,230,710.32</u>
Total 106 Accounts	<u>110,678,842.78</u>	<u>(6,828,176.37)</u>	-	-	<u>(6,828,176.37)</u>	<u>103,850,666.41</u>
117 Gas Stored Underground - Noncurrent						
Gas						
Gas Stored Nonrecoverable	2,139,990.00	-	-	-	-	2,139,990.00
	<u>2,139,990.00</u>	-	-	-	-	<u>2,139,990.00</u>
Total 117001	<u>2,139,990.00</u>	-	-	-	-	<u>2,139,990.00</u>
121 Nonutility Property						
Common						
Nonutility Property	75,239.56	-	-	-	-	75,239.56
	<u>75,239.56</u>	-	-	-	-	<u>75,239.56</u>
Total 121001	<u>75,239.56</u>	-	-	-	-	<u>75,239.56</u>
107 Construction Work in Progress						
Construction Work in Progress						
Common						
Electric	51,677,042.23	(40,201,455.42)	-	-	(40,201,455.42)	11,475,586.81
Gas	269,074,514.63	5,717,724.56	-	-	5,717,724.56	274,792,239.19
	<u>53,271,643.56</u>	<u>(6,557,839.56)</u>	-	-	<u>(6,557,839.56)</u>	<u>46,713,804.00</u>
	<u>374,023,200.42</u>	<u>(41,041,570.42)</u>	-	-	<u>(41,041,570.42)</u>	<u>332,981,630.00</u>
Total Plant (Non-CWIP)	<u>4,132,517,396.57</u>	<u>166,373,531.36</u>	<u>(36,744,374.83)</u>	-	<u>129,629,156.53</u>	<u>4,262,146,553.10</u>
Total Plant + CWIP	<u>4,506,540,596.99</u>	<u>125,331,960.94</u>	<u>(36,744,374.83)</u>	-	<u>88,587,586.11</u>	<u>4,595,128,183.10</u>
Total Plant + CWIP - Nonutility (BS)	<u>4,506,465,357.43</u>	<u>125,331,960.94</u>	<u>(36,744,374.83)</u>	-	<u>88,587,586.11</u>	<u>4,595,052,943.54</u>

Louisville Gas and Electric Company
 Summary of Utility Plant - Reserve for Depreciation of Utility Plant
 September 30, 2009

	Beginning Balance	Accruals	Retirements	Transfers/ Adjustments	RWIP Transfers Out	Cost of Removal	Salvage	Other Credits	Ending Balance
Life Reserve									
Common General Plant	(68,115,611.49)	(9,562,524.65)	2,171,529.32	57,791.12	-	-	-	(64,419.00)	(75,513,234.70)
Common General Plant - ARO	(1,199.60)	(25.74)	-	-	-	-	-	-	(1,225.34)
Electric Distribution	(255,961,891.88)	(11,950,226.84)	4,806,530.43	(390,450.90)	-	-	-	(61,200.72)	(263,557,239.91)
Electric Distribution - ARO	(12,796.60)	(274.59)	-	-	-	-	-	-	(13,071.19)
Electric General Plant	(13,702,714.67)	(484,803.75)	211,919.75	(34.23)	-	-	-	-	(13,975,632.90)
Electric Hydro Production	(8,147,012.81)	(428,274.75)	1,371.95	(450,445.28)	-	-	-	-	(9,024,360.89)
Electric Hydro Production - ARO	(17,314.16)	(372.06)	-	-	-	-	-	-	(17,686.22)
Electric Other Production	(48,776,531.63)	(6,022,963.46)	4,847,716.34	(386,081.21)	-	-	-	-	(50,337,859.96)
Electric Other Production - ARO	(118,219.64)	(49,384.41)	78,906.72	-	-	-	-	-	(88,697.33)
Electric Steam Production	(980,719,365.60)	(39,810,196.07)	8,027,401.56	(6,122,148.92)	-	-	-	(49,320.83)	(1,018,673,629.86)
Electric Steam Production - ARO	(2,382,766.82)	(130,405.80)	13,009.93	(2,407.93)	-	-	-	-	(2,502,570.62)
Electric Transmission	(120,367,314.51)	(2,917,511.10)	733,411.97	7,354,240.27	-	-	-	(93,461.26)	(115,290,634.63)
Electric Transmission - ARO	(3,029.54)	(40.86)	-	2,407.93	-	-	-	-	(662.47)
Gas Distribution	(115,555,571.04)	(7,573,155.03)	213,708.01	-	-	-	-	-	(122,915,018.06)
Gas Distribution - ARO	(20,060.41)	(240.03)	-	-	-	-	-	-	(20,300.44)
Gas General Plant	(6,241,137.60)	(350,093.33)	206,196.86	-	-	-	-	-	(6,385,034.07)
Gas Storage	(34,022,860.14)	(700,159.45)	2,316,153.78	-	-	-	-	-	(32,406,865.81)
Gas Storage - ARO	(409,284.68)	(6,619.32)	-	-	-	-	-	-	(415,904.00)
Gas Stored Nonrecoverable	(9,358,516.52)	(38,083.11)	5,662.32	-	-	-	-	-	(9,390,937.31)
Gas Transmission	(63,360.36)	-	-	-	-	-	-	-	(63,360.36)
Non Utility Property	(1,663,996,559.70)	(80,025,354.35)	23,633,518.94	62,870.85	-	-	-	(268,401.81)	(1,720,593,926.07)
Cost of Removal									
Common General Plant	(469,247.42)	(186,504.47)	-	-	-	94,716.30	-	-	(561,035.59)
Electric Distribution	(157,755,648.48)	(4,686,993.70)	-	22.68	-	13,712,806.16	-	-	(148,729,813.34)
Electric General Plant	3,866.64	-	-	-	-	-	-	-	3,866.64
Electric Hydro Production	814,671.45	(27,871.27)	-	(823.08)	-	3,619.91	-	-	789,597.01
Electric Other Production	(2,039,438.56)	(232,461.14)	-	(705.46)	-	202,327.93	-	-	(2,070,277.23)
Electric Steam Production	(75,412,706.30)	(10,766,293.66)	-	(3,135.35)	-	3,708,022.86	-	-	(82,474,112.45)
Electric Transmission	(23,681,680.84)	(886,600.08)	-	4,641.21	-	1,087,913.26	-	-	(23,475,726.45)
Gas Distribution	(58,299,094.86)	(2,347,531.52)	-	-	-	71,492.92	-	-	(60,575,133.46)
Gas General Plant	(0.02)	-	-	-	-	-	-	-	(0.02)
Gas Storage	(403,035.01)	(83,923.96)	-	-	-	110,545.08	-	-	(376,413.89)
Gas Stored Nonrecoverable	(3,061,349.14)	(16,371.76)	-	-	-	-	-	-	(3,020,976.27)
Gas Transmission	-	-	-	-	-	56,744.63	-	-	-
Non Utility Property	(320,303,662.54)	(19,234,551.56)	-	0.00	-	19,048,189.05	-	-	(320,490,025.05)

October 21, 2009

Louisville Gas and Electric Company
 Summary of Utility Plant - Reserve for Depreciation of Utility Plant
 September 30, 2009

	Beginning Balance	Accruals	Retirements	Transfers/ Adjustments	RWIP Transfers Out	Cost of Removal	Salvage	Other Credits	Ending Balance
Salvage									
Common General Plant	301,592.06	5,891.02	-	-	-	-	-	-	307,483.08
Electric Distribution	15,611,295.13	920,914.69	-	-	-	-	(235,955.06)	-	16,296,254.76
Electric General Plant	132,019.58	3,430.62	-	-	-	-	-	-	135,450.20
Electric Hydro Production	433,316.55	-	-	-	-	-	(56,678.38)	-	376,638.17
Electric Other Production	2,644.83	-	-	-	-	-	(21,643.50)	-	(18,998.67)
Electric Steam Production	18,799,865.84	1,445,385.68	-	-	-	-	(430,232.93)	-	19,815,018.59
Electric Transmission	5,876,238.22	174,155.03	-	-	-	-	(3,534.38)	-	6,046,858.87
Gas Distribution	3,219,085.53	145,138.52	-	-	-	-	-	-	3,364,224.05
Gas General Plant	220,201.71	3,177.74	-	-	-	-	-	-	223,379.45
Gas Storage	236,769.87	11,715.81	-	-	-	-	-	-	248,485.68
Gas Stored Nonrecoverable	208,728.61	3,286.14	-	-	-	-	-	-	212,014.75
Gas Transmission	-	-	-	-	-	-	-	-	-
Non Utility Property	45,041,757.93	2,713,095.25	-	-	-	(748,044.25)	-	-	47,006,808.93
Total Reserves									
Common	(68,347,826.81)	(9,743,163.84)	2,171,529.32	57,791.12	-	94,716.30	-	(64,419.00)	(75,831,372.91)
Electric	(1,647,424,513.80)	(75,850,787.52)	18,720,268.65	5,079.73	-	18,714,690.12	(748,044.25)	(203,982.81)	(1,686,787,289.88)
Gas	(223,486,123.70)	(10,952,859.30)	2,741,720.97	-	-	238,782.63	-	-	(231,458,479.40)
	(1,939,258,464.31)	(96,546,810.66)	23,633,518.94	62,870.85	-	19,048,189.05	(748,044.25)	(268,401.81)	(1,994,077,142.19)
Retirement Work in Progress									
Common	(9,092,255.82)	-	-	(87,820.37)	(30,297.30)	257,712.30	(41,860.76)	(70,400.00)	(9,064,921.95)
Electric	28,458,992.95	-	-	74,524.68	(17,762,663.06)	7,857,647.38	(336,130.54)	(434,851.45)	17,857,519.96
Gas	4,095,496.74	-	-	37,776.67	(238,782.63)	1,284,605.40	(1,451.05)	0.00	5,177,645.13
	23,462,233.87	-	-	24,480.98	(18,031,742.99)	9,399,965.08	(379,442.35)	(505,251.45)	13,970,243.14
YTD ACTIVITY	(1,915,796,230.44)	(96,546,810.66)	23,633,518.94	87,351.83	(18,031,742.99)	28,448,154.13	(1,127,486.60)	(773,653.26)	(1,980,106,899.05)
Amortization									
Common	(23,433,131.46)	(5,846,342.68)	13,110,855.89	-	-	-	-	-	(16,168,618.25)
Electric	(100.00)	-	-	-	-	-	-	-	(100.00)
Gas	(800.00)	-	-	-	-	-	-	-	(800.00)
AMORTIZATION TOTAL	(23,434,031.46)	(5,846,342.68)	13,110,855.89	-	-	-	-	-	(16,169,518.25)
Depreciation & Amortization Total	(1,939,230,261.90)	(102,393,153.34)	36,744,374.83	87,351.83	(18,031,742.99)	28,448,154.13	(1,127,486.60)	(773,653.26)	(1,996,276,417.30)
Depr & Amort - Nonutility for Balance Sheet									
Utility Plant at Original Cost Less Reserve for Depreciation & Amortization (Excl nonutility)	2,567,298,455.89								2,598,839,886.60

October 21, 2009

LG&E Monthly Report to KPSC – August 31, 2009

LOUISVILLE GAS AND ELECTRIC COMPANY

Financial Reports

August 31, 2009

Prepared by Regulatory Accounting and Reporting

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Financial and Operating Reports

Louisville Gas and Electric Company
August 31, 2009

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Louisville Gas and Electric Company
Comparative Statement of Income
August 31, 2009

	Current Month		
	This Year Amount	Last Year Amount	Increase or Decrease Amount %
Electric Operating Revenues.....	89,550,164.76	98,691,830.84	(9,141,666.08) (9.26)
Gas Operating Revenues.....	9,182,084.74	17,245,771.19	(8,063,686.45) (46.76)
Total Operating Revenues.....	<u>98,732,249.50</u>	<u>115,937,602.03</u>	<u>(17,205,352.53)</u> (14.84)
Fuel for Electric Generation.....	28,011,538.92	32,901,390.27	(4,889,851.35) (14.86)
Power Purchased.....	3,754,394.60	8,035,124.96	(4,280,730.36) (53.28)
Gas Supply Expenses.....	3,669,308.88	12,460,672.92	(8,791,364.04) (70.55)
Other Operation Expenses.....	20,044,183.98	15,348,769.95	4,695,414.03 30.59
Maintenance.....	7,806,333.99	6,848,735.80	957,598.19 13.98
Depreciation.....	10,808,273.69	10,292,126.02	516,147.67 5.02
Amortization Expense.....	701,191.48	520,307.96	180,883.52 34.76
Regulatory Credits.....	(180,241.31)	(173,373.55)	(6,867.76) (3.96)
Taxes			
Federal Income.....	5,703,436.31	7,935,416.55	(2,231,980.24) (28.13)
State Income.....	1,003,608.09	1,536,840.06	(533,231.97) (34.70)
Deferred Federal Income - Net.....	227,328.95	-	227,328.95 100.00
Deferred State Income - Net.....	(36,658.90)	-	(36,658.90) (100.00)
Property and Other.....	2,160,279.44	2,222,625.60	(62,346.16) (2.81)
Investment Tax Credit.....	-	-	-
Amortization of Investment Tax Credit.....	(254,733.00)	(322,577.00)	67,844.00 21.03
Loss (Gain) from Disposition of Allowances.....	-	-	-
Accretion Expense.....	165,561.47	158,618.95	6,942.52 4.38
Total Operating Expenses.....	<u>83,583,806.59</u>	<u>97,764,678.49</u>	<u>(14,180,871.90)</u> (14.51)
Net Operating Income.....	15,148,442.91	18,172,923.54	(3,024,480.63) (16.64)
Other Income Less Deductions.....	(186,400.20)	(2,791,150.08)	2,604,749.88 93.32
Income Before Interest Charges.....	<u>14,962,042.71</u>	<u>15,381,773.46</u>	<u>(419,730.75)</u> (2.73)
Interest on Long-term Debt.....	3,633,589.50	3,299,840.02	333,749.48 10.11
Amortization of Debt Expense - Net.....	124,232.69	121,276.37	2,956.32 2.44
Other Interest Expenses.....	157,707.18	778,170.09	(620,462.91) (79.73)
Total Interest Charges.....	<u>3,915,529.37</u>	<u>4,199,286.48</u>	<u>(283,757.11)</u> (6.76)
Net Income.....	<u>11,046,513.34</u>	<u>11,182,486.98</u>	<u>(135,973.64)</u> (1.22)

September 22, 2009

Louisville Gas and Electric Company
Comparative Statement of Income
August 31, 2009

	Year to Date		
	This Year Amount	Last Year Amount	Increase or Decrease Amount %
Electric Operating Revenues.....	634,304,005.77	662,319,098.72	(28,015,092.95) (4.23)
Gas Operating Revenues.....	266,087,795.98	281,544,130.32	(15,456,334.34) (5.49)
Total Operating Revenues.....	900,391,801.75	943,863,229.04	(43,471,427.29) (4.61)
Fuel for Electric Generation.....	229,813,270.81	226,827,035.44	2,986,235.37 1.32
Power Purchased.....	40,264,312.93	62,433,170.35	(22,168,857.42) (35.51)
Gas Supply Expenses.....	190,946,796.13	214,759,280.92	(23,812,484.79) (11.09)
Other Operation Expenses.....	146,454,703.43	131,926,296.72	14,528,406.71 11.01
Maintenance.....	101,270,037.70	64,842,496.95	36,427,540.75 56.18
Depreciation.....	85,357,163.28	80,295,552.89	5,061,610.39 6.30
Amortization Expense.....	5,143,795.86	3,781,069.62	1,362,726.24 36.04
Regulatory Credits.....	(1,477,616.87)	(1,365,168.69)	(112,448.18) (8.24)
Taxes			
Federal Income.....	11,498,631.42	28,870,395.74	(17,371,764.32) (60.17)
State Income.....	2,742,183.96	5,474,214.02	(2,732,030.06) (49.91)
Deferred Federal Income - Net.....	3,530,575.06	3,527,541.43	3,033.63 0.09
Deferred State Income - Net.....	(760,887.15)	392,559.92	(1,153,447.07) (293.83)
Property and Other.....	17,818,741.00	16,465,034.24	1,353,706.76 8.22
Investment Tax Credit.....	1,824,672.98	3,575,000.00	(1,750,327.02) (48.96)
Amortization of Investment Tax Credit.....	(2,037,865.44)	(2,607,980.32)	570,114.88 21.86
Loss (Gain) from Disposition of Allowances.....	(66,274.06)	(456,254.88)	389,980.82 85.47
Accretion Expense.....	1,312,664.13	1,247,134.60	65,529.53 5.25
Total Operating Expenses.....	833,634,905.17	839,987,378.95	(6,352,473.78) (0.76)
Net Operating Income.....	66,756,896.58	103,875,850.09	(37,118,953.51) (35.73)
Other Income Less Deductions.....	11,665,127.52	(4,368,426.50)	16,033,554.02 367.03
Income Before Interest Charges.....	78,422,024.10	99,507,423.59	(21,085,399.49) (21.19)
Interest on Long-term Debt.....	29,368,792.77	30,901,238.66	(1,532,445.89) (4.96)
Amortization of Debt Expense - Net.....	992,248.55	968,302.37	23,946.18 2.47
Other Interest Expenses.....	1,777,126.42	3,800,800.89	(2,023,674.47) (53.24)
Total Interest Charges.....	32,138,167.74	35,670,341.92	(3,532,174.18) (9.90)
Net Income.....	46,283,856.36	63,837,081.67	(17,553,225.31) (27.50)

September 22, 2009

Louisville Gas and Electric Company
Comparative Statement of Income
August 31, 2009

	Year Ended Current Month		
	This Year Amount	Last Year Amount	Increase or Decrease Amount %
Electric Operating Revenues.....	986,939,247.34	953,936,881.00	33,002,366.34 3.46
Gas Operating Revenues.....	442,908,758.74	408,107,235.19	34,801,523.55 8.53
Total Operating Revenues.....	1,429,848,006.08	1,362,044,116.19	67,803,889.89 4.98
Fuel for Electric Generation.....	347,522,969.82	324,665,497.04	22,857,472.78 7.04
Power Purchased.....	95,738,674.92	90,469,030.64	5,269,644.28 5.82
Gas Supply Expenses.....	329,338,149.19	305,422,658.74	23,915,490.45 7.83
Other Operation Expenses.....	208,596,195.87	190,992,858.73	17,603,337.14 9.22
Maintenance.....	130,953,385.31	98,301,115.37	32,652,269.94 33.22
Depreciation.....	126,413,514.54	120,838,175.91	5,575,338.63 4.61
Amortization Expense.....	7,243,127.98	5,703,526.75	1,539,601.23 26.99
Regulatory Credits.....	(2,179,060.43)	(2,017,276.49)	(161,783.94) (8.02)
Taxes			
Federal Income.....	22,671,645.36	32,620,236.04	(9,948,590.68) (30.50)
State Income.....	1,550,394.33	6,801,542.25	(5,251,147.92) (77.21)
Deferred Federal Income - Net.....	(2,262,082.68)	7,505,215.76	(9,767,298.44) (130.14)
Deferred State Income - Net.....	(3,646,942.71)	788,590.58	(4,435,533.29) (562.46)
Property and Other.....	25,310,779.11	22,380,449.96	2,930,329.15 13.09
Investment Tax Credit.....	6,370,700.98	6,375,000.00	(4,299.02) (0.07)
Amortization of Investment Tax Credit.....	(3,300,805.19)	(3,912,322.54)	611,517.35 15.63
Loss (Gain) from Disposition of Allowances.....	(66,274.06)	(456,254.88)	389,980.82 85.47
Accretion Expense.....	1,955,089.20	1,840,499.12	114,590.08 6.23
Total Operating Expenses.....	1,292,209,461.54	1,208,318,542.98	83,890,918.56 6.94
Net Operating Income.....	137,638,544.54	153,725,573.21	(16,087,028.67) (10.46)
Other Income Less Deductions.....	(15,185,206.12)	(5,545,849.64)	(9,639,356.48) (173.81)
Income Before Interest Charges.....	122,453,338.42	148,179,723.57	(25,726,385.15) (17.36)
Interest on Long-term Debt.....	41,577,925.54	45,831,284.08	(4,253,358.54) (9.28)
Amortization of Debt Expense - Net.....	1,609,572.45	1,450,537.22	159,035.23 10.96
Other Interest Expenses.....	6,618,784.75	5,843,877.79	774,906.96 13.26
Total Interest Charges.....	49,806,282.74	53,125,699.09	(3,319,416.35) (6.25)
Net Income.....	72,647,055.68	95,054,024.48	(22,406,968.80) (23.57)

September 22, 2009

Louisville Gas and Electric Company
Analysis of Retained Earnings
August 31, 2009

	Current Month		Year to Date		Year Ended Current Month	
	This Year	Last Year	This Year	Last Year	This Year	Last Year
Balance at Beginning of Period.....	695,399,014.21	702,615,984.89	740,161,671.19	689,961,390.20	713,798,471.87	658,800,443.39
Add:						
Net Income for Period.....	11,046,513.34	11,182,486.98	46,283,856.36	63,837,081.67	72,647,055.68	95,054,024.48
FIN 48 Adjustment.....	-	-	-	-	-	(55,996.00)
Deduct:						
Adjustment to Retained Earnings.....	-	-	-	-	-	-
Common Dividends	-	-	-	-	-	-
Common Stock Without Par Value.....	-	-	80,000,000.00	40,000,000.00	80,000,000.00	40,000,000.00
Balance at End of Period.....	<u>706,445,527.55</u>	<u>713,798,471.87</u>	<u>706,445,527.55</u>	<u>713,798,471.87</u>	<u>706,445,527.55</u>	<u>713,798,471.87</u>

Louisville Gas and Electric Company
Comparative Balance Sheets as of August 31, 2009 and 2008

	This Year	Last Year	Liabilities and Other Credits	This Year	Last Year
Assets and Other Debits					
Utility Plant					
Utility Plant at Original Cost.....	4,584,766,915.96	4,446,121,083.98	Common Stock.....	425,170,424.09	425,170,424.09
Less Reserves for Depreciation and Amortization.....	1,989,145,641.67	1,929,418,674.92	Common Stock Expense.....	(835,888.64)	(835,888.64)
Total.....	2,595,621,274.29	2,516,702,409.06	Paid-in Capital.....	83,530,392.00	60,000,000.00
			Other Comprehensive Income.....	(11,268,123.38)	(12,313,422.17)
			Retained Earnings.....	706,445,527.55	713,798,471.87
			Total Common Equity.....	1,203,042,331.62	1,185,819,585.15
Investments					
Ohio Valley Electric Corporation.....	594,286.00	594,286.00	Pollution Control Bonds - Net of Reacquired Bonds	411,104,000.00	315,104,000.00
Nonutility Property-Less Reserve.....	11,879.20	11,879.20	LT Notes Payable to Associated Companies.....	485,000,000.00	435,000,000.00
Special Funds.....	14,695,729.35	12,109,974.19	Total Long-term Debt.....	896,104,000.00	750,104,000.00
Other.....	-	14,921,226.00	Total Capitalization.....	2,099,146,331.62	1,935,923,585.15
Total.....	15,301,894.55	27,637,365.39			
Current and Accrued Assets					
Cash.....	7,309,707.11	2,590,363.27	Current and Accrued Liabilities	163,033,400.00	350,797,200.00
Special Deposits.....	1,034,019.13	8,077,993.70	ST Notes Payable to Associated Companies.....	63,243,550.61	96,299,796.30
Temporary Cash Investments.....	119.71	36,583.98	Accounts Payable.....	12,750,853.81	18,577,365.91
Accounts Receivable-Less Reserve.....	126,157,572.25	162,461,082.41	Customer Deposits.....	20,842,672.59	21,095,053.00
Accounts Receivable from Associated Companies.....	8,926,115.46	256,879.10	Taxes Accrued.....	26,561,046.08	20,027,253.05
Materials and Supplies-At Average Cost	56,357,995.16	35,351,065.19	Interest Accrued.....	9,889,975.32	7,736,763.95
Plant Materials and Operating Supplies.....	29,102,632.40	27,582,882.70	ST Obligations Under Capital Leases.....	-	159,724.63
Stores Expense.....	4,090,946.84	4,478,210.53	Miscellaneous Current and Accrued Liabilities.....	22,701,758.56	13,881,103.60
Gas Stored Underground.....	50,261,856.30	104,652,644.36	Total.....	319,023,256.97	528,574,260.44
Allowance Inventory.....	4,668.62	9,800.23			
Prepayments.....	4,587,589.01	4,389,489.56	Deferred Credits and Other	416,101,661.21	403,725,012.44
Miscellaneous Current and Accrued Assets.....	4,618,706.96	186,853.13	Accumulated Deferred Income Taxes.....	50,135,877.67	47,065,981.88
Total.....	292,451,928.95	350,073,848.16	Investment Tax Credit.....	96,491,351.85	54,308,546.74
			Regulatory Liabilities.....	9,780,062.58	16,691,756.87
Deferred Debits and Other					
Unamortized Debt Expense.....	3,916,066.62	4,074,364.61	Customer Advances for Construction.....	33,476,583.62	30,586,482.72
Unamortized Loss on Bonds.....	23,530,331.18	24,063,859.42	Asset Retirement Obligations.....	35,228,474.29	31,192,562.93
Accumulated Deferred Income Taxes.....	61,605,529.46	50,467,293.36	Other Deferred Credits.....	40,252,451.25	31,285,323.47
Deferred Regulatory Assets.....	321,416,621.31	150,663,715.64	Miscellaneous Long-term Liabilities.....	215,627,563.46	93,281,930.35
Other Deferred Debits.....	1,419,968.16	48,952,587.35	Accum Provision for Postretirement Benefits.....	897,094,025.93	708,137,597.40
Total.....	411,888,516.73	278,221,820.38	Total.....	3,315,263,614.52	3,172,635,442.99
			Total Liabilities and Other Credits.....	3,315,263,614.52	3,172,635,442.99
Total Assets and Other Debits.....					

Louisville Gas and Electric Company
Statement of Capitalization and Short-term Debt
August 31, 2009

	Authorized Shares	Issued and Outstanding Shares	Amount	Percent of Total	
				Capital and ST Debt	Capital
Common Equity					
Common Stock - Without Par.....	75,000,000	21,294,223	425,170,424.09		
Common Stock Expense.....			(835,888.64)		
Paid-in Capital.....			83,530,392.00		
Other Comprehensive Income.....			(11,268,123.38)		
Retained Earnings.....			706,445,527.55		
Total Common Equity.....			1,203,042,331.62	53.18	57.31
Long-term Debt					
Pollution Control Bonds					
Jefferson County 2000 Series A due 05/01/27 5.375%.....			25,000,000.00		
Trimble County 2000 Series A due 08/01/30 Var%.....			83,335,000.00		
Jefferson County 2001 Series A due 09/01/26 Var%.....			22,500,000.00		
Jefferson County 2001 Series A due 09/01/27 Var%.....			10,104,000.00		
Trimble County 2001 Series A due 09/01/26 Var%.....			27,500,000.00		
Jefferson County 2001 Series B due 11/01/27 Var%.....			35,000,000.00		
Trimble County 2001 Series B due 11/01/27 Var%.....			35,000,000.00		
Trimble County 2002 Series A due 10/01/32 Var%.....			41,665,000.00		
Louisville Metro 2003 Series A due 10/01/33 Var%.....			128,000,000.00		
Louisville Metro 2005 Series A due 02/01/35 5.750%.....			40,000,000.00		
Louisville Metro 2007 Series A due 06/01/33 5.625%.....			31,000,000.00		
Louisville Metro 2007 Series B due 06/01/33 Var%.....			35,200,000.00		
Trimble County 2007 Series A due 06/01/33 4.600%.....			60,000,000.00		
Total Pollution Control Bonds.....			574,304,000.00	25.39	27.36
Less Reacquired Bonds					
Louisville Metro 2003 Series A due 10/01/33 Var%.....			(128,000,000.00)		
Louisville Metro 2007 Series B due 06/01/33 Var%.....			(35,200,000.00)		
			(163,200,000.00)	(7.22)	(7.78)
Total Pollution Control Bonds - Net of Reacquired Bonds.....			411,104,000.00	18.17	19.58
Long-term Notes Payable to Associated Companies.....			485,000,000.00	21.44	23.11
Total Capitalization.....			2,099,146,331.62	92.79	100.00
Short-term Notes Payable to Associated Companies.....			163,033,400.00	7.21	
Total Capitalization and Short-term Debt.....			2,262,179,731.62	100.00	

Louisville Gas and Electric Company
Summary Trial Balance
August 31, 2009

<u>Account - Subsidiary Account</u>	<u>Balance Subsidiary Account</u>	<u>Balance as Shown on Balance Sheets</u>
Utility Plant		
At Original Cost.....	4,584,766,915.96	4,584,766,915.96
Reserves for Depreciation and Amortization.....		(1,989,145,641.67)
Depreciation of Plant		
Electric.....	(1,664,292,518.39)	
Gas.....	(225,617,939.93)	
Common.....	(83,697,095.55)	
Amortization of Plant		
Common.....	(15,537,187.80)	
Gas.....	(800.00)	
Electric.....	(100.00)	
Investments.....		15,301,894.55
Special Funds.....	14,695,729.35	
Ohio Valley Electric Corporation.....	594,286.00	
Nonutility Property.....	75,239.56	
Nonutility Property Reserve.....	(63,360.36)	
Cash.....	7,309,707.11	7,309,707.11
Special Deposits.....		1,034,019.13
Other Special Deposits.....	1,034,019.13	
Temporary Cash Investments.....	119.71	119.71
Accounts Receivable - Less Reserve.....		126,157,572.25
Customers - Active.....	64,653,704.64	
Unbilled Revenues.....	51,372,855.30	
IMPA.....	2,806,963.10	
IMEA.....	2,734,585.86	
Income Tax Receivable - Federal.....	2,109,812.50	
Sundry Accounts Receivable.....	1,519,265.55	
Electricity Swaps.....	836,798.55	
Wholesale Sales.....	486,378.22	
Damage Claims.....	454,804.44	
Transmission Sales.....	254,939.10	
Employee Computer Loans.....	73,632.64	
Rents Receivable.....	35,537.40	
Working Funds.....	20,630.00	
Interest and Dividends Receivable.....	5,135.88	
Reserves for Uncollectible Accounts		
Utility Customers		
Charged Off.....	3,514,417.35	
A/R Miscellaneous.....	(642,951.00)	
Reserve.....	(933,933.00)	
Recoveries.....	(1,113,729.46)	
Accrual.....	(2,400,504.89)	
Other.....	369,230.07	
Accounts Receivable from Associated Companies.....		8,926,115.46
E.ON US Services/Kentucky Utilities Company.....	8,926,115.46	
Fuel.....		56,357,995.16
Coal 1,405,022.54 Tons @ \$39.85; MMBtu 31,950,799.39 @ 175.25¢.....	55,994,623.37	
Fuel Oil 197,598 Gallons @ 167.22¢.....	330,423.31	
Gas Pipeline 4,900.00 Mcf @ \$6.72.....	32,948.48	
Plant Materials and Operating Supplies.....		29,102,632.40
Regular Materials and Supplies.....	28,753,874.88	
Limestone 44,594.91 Tons @ \$7.82.....	348,757.52	

September 22, 2009

Louisville Gas and Electric Company
Summary Trial Balance
August 31, 2009

<u>Account - Subsidiary Account</u>	<u>Balance Subsidiary Account</u>	<u>Balance as Shown on Balance Sheets</u>
Stores Expense Undistributed.....	4,090,946.84	4,090,946.84
Gas Stored Underground - Current.....		50,261,856.30
Gas St. Underground* 9,447,081.00 Mcf (14.73 psia) @ \$ 5.32.....	50,261,856.30	
Allowance Inventory.....	4,668.62	4,668.62
Prepayments.....		4,587,589.01
Taxes.....	1,616,754.22	
Insurance.....	1,030,243.54	
Rights of Way.....	253,333.37	
Risk Management and Workers Compensation.....	90,000.00	
Franchises.....	67,602.24	
Vehicle License.....	36,822.01	
Other.....	1,492,833.63	
Miscellaneous Current Assets.....		4,618,706.96
Derivative Asset - Non-Hedging.....	4,618,706.96	
Unamortized Debt Expense.....		3,916,066.62
Trimble County 2000 Series A due 08/01/30 Var%.....	809,503.18	
Jefferson County 2001 Series A due 09/01/26 Var%.....	168,704.10	
Jefferson County 2001 Series A due 09/01/27 Var%.....	367,043.86	
Jefferson County 2001 Series B due 11/01/27 Var%.....	199,747.02	
Trimble County 2001 Series A due 09/01/26 Var%.....	183,429.84	
Trimble County 2001 Series B due 11/01/27 Var%.....	199,779.78	
Trimble County 2002 Series A due 10/01/32 Var%.....	859,173.08	
Trimble County 2007 Series A due 06/01/33 4.600%.....	1,128,685.76	
Unamortized Loss on Bonds.....	23,530,331.18	23,530,331.18
Accumulated Deferred Income Taxes.....		61,605,529.46
Federal.....		
Electric.....	46,720,945.77	
Gas.....	5,454,330.95	
State.....		
Electric.....	8,435,541.92	
Gas.....	994,710.82	
Regulatory Assets.....		321,416,621.31
Pension and Postretirement Benefits.....	249,597,539.00	
Asset Retirement Obligations.....		
Electric.....	21,546,721.28	
Gas.....	8,389,191.97	
Common.....	25,739.28	
2008 Wind Storm.....	23,540,332.79	
MISO Exit Fee.....	6,121,930.66	
Environmental Cost Recovery.....	5,410,421.00	
Gas Supply Clause/PBR.....	3,053,804.87	
ECR Ash Hauling.....	1,371,769.32	
Rate Case Expenses.....	826,874.61	
KCCS Funding.....	769,220.61	
EKPC FERC Transmission Costs.....	763,075.92	
Other Deferred Debits.....	1,419,968.16	1,419,968.16
Total Assets and Other Debits.....	<u>3,315,263,614.52</u>	<u>3,315,263,614.52</u>

* Excludes:

	\$	Mcf
Non-recoverable Base Gas	9,648,855.00	7,880,000
Recoverable Base Gas	<u>2,139,990.00</u>	<u>2,930,000</u>
	11,788,845.00	10,810,000

Louisville Gas and Electric Company
Summary Trial Balance
August 31, 2009

<u>Account - Subsidiary Account</u>	<u>Balance Subsidiary Account</u>	<u>Balance as Shown on Balance Sheets</u>
Common Equity.....		1,203,042,331.62
Common Stock.....	425,170,424.09	
Common Stock Expense.....	(835,888.64)	
Paid-In Capital.....	83,530,392.00	
Other Comprehensive Income.....	(11,268,123.38)	
Retained Earnings.....	706,445,527.55	
Bonds.....	411,104,000.00	411,104,000.00
Long-term Notes Payable to Associated Companies.....	485,000,000.00	485,000,000.00
Short-term Notes Payable to Associated Companies.....	163,033,400.00	163,033,400.00
Accounts Payable.....		63,243,550.61
Regular.....	61,675,090.97	
Salaries and Wages Accrued.....	1,609,334.40	
Employee Withholdings Payable.....	(40,874.76)	
Accounts Payable to Associated Companies.....		12,750,853.81
E ON US Services/Kentucky Utilities Company.....	12,750,853.81	
Customers' Deposits.....	20,842,672.59	20,842,672.59
Taxes Accrued.....	26,561,046.08	26,561,046.08
Interest Accrued.....		9,889,975.32
Jefferson County 2000 Series A due 05/01/27 5.375%.....	447,916.75	
Trimble County 2000 Series A due 08/01/30 Var%.....	16,667.02	
Jefferson County 2001 Series A due 09/01/26 Var%.....	8,784.28	
Jefferson County 2001 Series A due 09/01/27 Var%.....	628.80	
Trimble County 2001 Series A due 09/01/26 Var%.....	37,972.58	
Jefferson County 2001 Series B due 11/01/27 Var%.....	57,534.22	
Trimble County 2001 Series B due 11/01/27 Var%.....	57,534.53	
Trimble County 2002 Series A due 10/01/32 Var%.....	7,579.58	
Louisville Metro 2003 Series A 11/20/03 due 10/01/33 Var%.....	(0.04)	
Louisville Metro 2005 Series A due 02/01/35 5.750%.....	185,277.87	
Louisville Metro 2007 Series A due 06/01/33 5.625%.....	435,937.55	
Louisville Metro 2007 Series B 04/26/07 due 06/01/33 Var%.....	0.01	
Trimble County 2007 Series A due 06/01/33 4.600%.....	690,000.00	
Fidelia.....	6,809,700.55	
Interest Rate Swaps.....	588,671.41	
Customers' Deposits.....	406,410.37	
Other.....	139,359.84	
Miscellaneous Current and Accrued Liabilities.....		22,701,758.56
Vacation Pay Accrued.....	5,489,700.72	
Customer Overpayments.....	4,871,253.01	
Unearned Revenue - Current.....	4,464,646.21	
Postretirement Benefits - Current.....	3,411,968.00	
No-Notice Gas Payable.....	1,781,294.44	
Service Deposit Refund Payable.....	1,254,841.67	
Tax Collections Payable.....	862,583.38	
Derivative Liabilities - Non-Hedging.....	444,553.64	
Other.....	120,917.49	

September 22, 2009

Louisville Gas and Electric Company
Summary Trial Balance
August 31, 2009

<u>Account - Subsidiary Account</u>	<u>Balance Subsidiary Account</u>	<u>Balance as Shown on Balance Sheets</u>
Accumulated Deferred Income Taxes.....		416,101,661.21
Federal		
Electric.....	310,090,116.73	
Gas.....	48,175,641.37	
State		
Electric.....	50,727,345.19	
Gas.....	7,108,557.92	
Investment Tax Credit.....		50,135,877.67
Job Development Credit		
Electric.....	27,323,370.52	
Gas.....	887,180.17	
Advanced Coal Credit.....	21,925,326.98	
Regulatory Liabilities.....		96,491,351.85
Deferred Taxes		
Federal		
Electric.....	21,854,684.50	
Gas.....	1,531,983.44	
State		
Electric.....	16,899,527.69	
Gas.....	2,606,869.03	
Gas Supply Clause/PBR.....	36,643,540.02	
DSM Cost Recovery.....	9,298,423.50	
MISO Schedule 10 Charges.....	3,005,813.48	
Fuel Adjustment Clause.....	1,345,000.00	
Asset Retirement Obligations		
Gas.....	2,614,034.48	
Electric.....	691,475.71	
Customers' Advances for Construction.....		9,780,062.58
Line Extensions		
Gas.....	7,697,846.24	
Electric.....	1,048,197.21	
Customer Advances - Museum Plaza.....	1,034,019.13	
Asset Retirement Obligations.....		33,476,583.62
Electric.....	24,922,680.50	
Gas.....	8,525,651.18	
Common.....	28,251.94	
Other Deferred Credits.....	35,228,474.29	35,228,474.29
Miscellaneous Long-term Liabilities.....		40,252,451.25
Long-term Derivative Liabilities - SFAS 133.....	34,987,543.95	
Workers' Compensation.....	5,264,907.30	
Accumulated Provision for Benefits.....		215,627,563.46
Pension Payable.....	135,235,667.00	
Postretirement Benefits - SFAS 106.....	76,816,164.46	
Post Employment Benefits Payable.....	3,747,857.00	
Post Employment Medicare Subsidy.....	(172,125.00)	
Total Liabilities and Other Credits.....	<u>3,315,263,614.52</u>	<u>3,315,263,614.52</u>

September 22, 2009

Louisville Gas and Electric Company
Statement of Cash Flows
August 31, 2009

	Year to Date	
	2009	2008
Cash Flows from Operating Activities		
Net income.....	46,283,856.36	63,837,081.67
Items not requiring (providing) cash currently:		
Depreciation.....	85,357,163.28	80,295,552.89
Amortization.....	5,143,795.86	3,781,069.62
Deferred income taxes - net.....	2,769,687.91	7,301,307.42
Investment tax credit - net.....	(213,192.46)	967,019.68
Other.....	6,740,046.53	3,964,095.09
Change in receivables.....	69,084,526.27	32,147,234.97
Change in inventory.....	55,068,785.74	(13,958,752.05)
Change in allowance inventory.....	1,291.59	1,659.24
Change in payables and accrued expenses.....	(41,637,560.83)	1,568,289.51
Change in regulatory assets.....	(4,176,944.48)	358,333.64
Change in regulatory liabilities.....	40,225,120.69	(806,990.88)
Change in other deferred debits.....	40,114,836.54	(17,281,081.13)
Change in other deferred credits.....	(8,423,542.16)	(9,669,690.48)
Other.....	(31,492,775.25)	(4,866,314.77)
Gain on disposal of assets.....	(24,480.98)	-
Net cash provided (used) by operating activities.....	<u>264,820,614.61</u>	<u>147,638,814.42</u>
Cash Flows from Investing Activities		
Gross additions to utility plant - construction expenditures.....	(110,790,222.38)	(124,158,908.46)
Gross additions to common utility plant - construction expenditures.....	(8,898,720.80)	(22,807,492.37)
Change in restricted cash.....	-	(186,666.20)
Change in non-hedging derivatives.....	(2,955,984.93)	202,254.53
Proceeds received from sales of property.....	24,480.98	-
Net cash provided (used) by investing activities.....	<u>(122,620,447.13)</u>	<u>(146,950,812.50)</u>
Cash Flows from Financing Activities		
Proceeds from issuance of long-term debt.....	(212,379.03)	24,891,834.79
Net change in short-term debt.....	(58,965,800.00)	272,556,000.00
Payments for reacquisition of long-term debt.....	-	(259,200,000.00)
Net change in short-term capital lease obligations.....	(23,650.00)	(245,713.06)
Net change in long-term capital lease obligations.....	-	(23,649.00)
Net change in restricted cash.....	-	(387,946.28)
Dividends on common stock.....	(80,000,000.00)	(40,000,000.00)
Net cash provided (used) by financing activities.....	<u>(139,201,829.03)</u>	<u>(2,409,473.55)</u>
Net Increase (Decrease) in Cash and Cash Equivalents.....	2,998,338.45	(1,721,471.63)
Cash and Cash Equivalents at Beginning of Period.....	<u>4,311,488.37</u>	<u>4,348,418.88</u>
Cash and Cash Equivalents at End of Period.....	<u><u>7,309,826.82</u></u>	<u><u>2,626,947.25</u></u>

September 22, 2009

Louisville Gas and Electric Company
Analysis of Interest Charges
August 31, 2009

	Current Month		Year to Date		Year Ended Current Month	
	This Year	Last Year	This Year	Last Year	This Year	Last Year
Interest on Long-term Debt						
Loan Agreement - Pollution Control Bonds						
Jefferson County 2000 Series A due 05/01/27 5.375%.....	111,979.17	-	895,833.36	539,670.12	1,030,210.43	858,038.17
Trimble County 2000 Series A due 08/01/30 Var%.....	27,361.66	316,133.64	216,717.32	2,003,641.93	815,213.11	3,213,520.61
Jefferson County 2001 Series A due 09/01/26 Var%.....	16,674.66	33,319.67	173,519.56	389,075.37	309,695.61	659,965.92
Jefferson County 2001 Series A due 09/01/27 Var%.....	2,694.39	26,354.88	31,503.74	221,105.28	99,005.76	368,284.10
Trimble County 2001 Series A due 09/01/26 Var%.....	21,020.55	40,724.04	214,603.43	475,536.52	381,040.82	806,624.95
Jefferson County 2001 Series B due 11/01/27 Var%.....	35,671.23	53,551.91	251,362.55	617,756.81	455,639.27	1,042,343.67
Trimble County 2001 Series A due 11/01/27 Var%.....	35,671.23	53,551.91	251,362.55	617,756.81	455,639.27	1,039,754.64
Trimble County 2002 Series A due 10/01/32 Var%.....	12,125.09	125,191.94	141,388.20	1,088,791.86	503,815.65	1,666,451.42
Louisville Metro 2003 Series A due 10/01/33 Var%.....	(5,409.06)	-	(43,272.48)	3,567,377.73	(731,584.90)	5,203,352.83
Louisville Metro 2005 Series A due 02/01/35 5.750%.....	191,666.67	-	1,533,333.35	495,511.11	1,763,333.36	984,766.68
Louisville Metro 2007 Series A due 06/01/33 5.625%.....	145,312.50	-	1,162,500.00	496,799.20	1,336,875.02	890,542.25
Louisville Metro 2007 Series B due 06/01/33 Var%.....	-	-	(0.03)	568,520.74	(0.03)	1,011,757.20
Trimble County 2007 Series A due 06/01/33 4.600%.....	230,000.00	230,000.00	1,840,000.02	1,850,603.33	2,760,000.02	2,755,270.01
Interest Rate Swaps.....	588,671.42	470,862.03	4,938,741.09	3,247,641.91	6,486,242.04	3,825,915.58
Notes/Debentures.....	-	-	-	-	-	134,907.24
Fidella.....	2,220,149.99	1,950,150.00	17,761,200.11	14,721,449.94	25,912,800.11	21,369,788.81
Total.....	3,633,589.50	3,299,840.02	29,368,792.77	30,901,238.66	41,577,925.54	45,831,284.08
Amortization of Debt Expense - Net						
Amortization of Debt Expense.....	15,517.65	15,406.27	123,792.17	218,002.95	185,443.25	353,432.40
Amortization of Loss on Reacquired Debt.....	108,715.04	105,870.10	868,456.38	750,299.42	1,424,129.20	1,097,104.82
Total.....	124,232.69	121,276.37	992,248.55	968,302.37	1,609,572.45	1,450,537.22
Other Interest Charges						
Customers' Deposits.....	49,338.43	93,203.73	729,735.03	701,765.11	1,107,364.86	1,034,083.51
Other Tax Deficiencies.....	-	-	-	2,223.00	(4,333.00)	(655.41)
Gas Refunds.....	-	-	-	-	-	-
Interest on DSM Cost Recovery.....	4,163.68	-	50,097.91	-	91,777.00	-
Interest on Debt to Associated Companies.....	40,247.62	678,230.36	560,907.93	2,993,489.79	3,798,494.47	4,707,126.70
Other Interest Expense.....	63,957.45	6,736.00	436,385.55	103,322.99	1,625,481.42	103,322.99
Total.....	157,707.18	778,170.09	1,777,126.42	3,800,800.89	6,618,784.75	5,843,877.79
Total Interest.....	3,915,529.37	4,199,286.48	32,138,167.74	35,670,341.92	49,806,282.74	53,125,699.09

September 22, 2009

Louisville Gas and Electric Company
Analysis of Taxes Charged and Accrued
August 31, 2009

Kind of Taxes	Current Month		Year To Date	
	This Year	Last Year	This Year	Last Year
Taxes Charged to Accounts 408.1 and 409.1				
Property Taxes.....	1,456,758.89	1,352,184.77	11,752,044.30	10,817,478.16
Unemployment.....	3,061.55	9,158.26	121,252.28	101,329.25
FICA.....	538,783.58	703,746.55	4,643,715.32	4,142,605.99
Public Service Commission Fee.....	161,675.42	157,536.02	1,268,566.95	1,284,765.94
Federal Income.....	5,703,436.31	7,935,416.55	11,498,631.42	28,870,395.74
State Income.....	1,003,608.09	1,536,840.06	2,742,183.96	5,474,214.02
Miscellaneous.....	-	-	33,162.15	118,854.90
Total Charged to Operating Expense.....	8,867,323.84	11,694,882.21	32,059,556.38	50,809,644.00
Taxes Charged to Other Accounts.....	559,145.77	548,716.22	8,869,699.73	7,867,860.23
Taxes Accrued on Intercompany Accounts.....	(206,073.29)	(180,451.82)	(1,709,816.57)	(1,438,470.50)
Total Taxes Charged.....	9,220,396.32	12,063,146.61	39,219,439.54	57,239,033.73

Analysis of Taxes Accrued - Account 236

Kind of Taxes	Taxes Accrued	Accruals	Payments	Taxes Accrued
	At Beginning Of Year	To Date This Year	To Date This Year	At End Of Month
Property Taxes.....	9,963,700.60	11,927,297.98	9,775,166.72	12,115,831.86
Unemployment.....	68,978.84	68,906.31	136,927.87	957.28
FICA.....	698,416.45	3,977,707.88	4,301,415.41	374,708.92
Federal Income.....	5,330,534.78	17,504,925.52	11,919,688.90	10,915,771.40
State Income.....	1,741,239.63	3,452,788.49	2,158,769.00	3,035,259.12
Kentucky Sales and Use Tax.....	578,874.39	2,168,769.25	2,653,792.45	93,851.19
Miscellaneous.....	-	119,044.11	94,377.80	24,666.31
Totals.....	18,381,744.69	39,219,439.54	31,040,138.15	26,561,046.08

September 22, 2009

Louisville Gas & Electric Company
 Summary
 August 31, 2009

	Beginning Balance	Additions	Retirements	Transfers/Adjustments	Net Additions	Ending Balance
101 Utility Plant in Service Common						
Common General Plant	156,628,323.83	7,915,555.36	(2,164,901.44)	-	5,750,653.92	162,378,977.75
Common Intangible Plant	30,504,727.59	43,041,969.95	(13,039,739.52)	-	30,002,230.43	60,506,958.02
	187,133,051.42	50,957,525.31	(15,204,640.96)	-	35,752,884.35	222,885,935.77
Electric						
Electric Distribution	768,525,773.32	22,177,623.60	(2,550,070.20)	18,468.18	19,646,021.58	788,171,794.90
Electric General Plant	16,739,305.40	294,293.94	(211,919.75)	-	82,374.19	16,821,679.59
Electric Hydro Production	40,692,754.42	144,671.53	(1,371.95)	743,189.41	886,488.99	41,579,243.41
Electric Intangible Plant	2,340.29	-	-	-	-	2,340.29
Electric Other Production	226,677,788.60	6,117,018.01	(4,926,623.06)	3,381,620.44	4,572,015.39	231,249,803.99
Electric Steam Production	1,957,945,552.56	23,003,598.73	(7,306,724.52)	15,422,227.79	31,119,102.00	1,989,064,654.56
Electric Transmission	256,087,174.79	4,794,082.39	(656,618.80)	(16,688,547.82)	(12,551,084.23)	243,536,090.56
	3,266,670,689.38	56,531,288.20	(15,653,328.28)	2,876,938.00	43,174,917.92	3,310,425,607.30
Gas						
Gas Distribution	473,727,554.77	3,730,171.23	(213,694.91)	-	3,516,476.32	477,244,031.09
Gas General Plant	9,038,472.86	182,720.97	(201,582.81)	-	(18,861.84)	9,019,611.02
Gas Intangible Plant	1,187.49	-	-	-	-	1,187.49
Gas Storage	62,441,928.04	2,244,729.59	(2,238,297.72)	-	6,431.87	62,448,359.91
Gas Transmission	12,901,908.09	450,382.55	(5,662.32)	-	444,720.23	13,346,628.32
	558,111,051.25	6,608,004.34	(2,659,237.76)	-	3,948,766.58	562,059,817.83
Total 101 Accounts	4,011,914,792.05	114,096,817.85	(33,517,207.00)	2,876,938.00	83,456,568.85	4,095,371,360.90
101 Property Under Capital Leases						
Electric Capital Leased Property	2,876,938.00	-	-	(2,876,938.00)	(2,876,938.00)	-
Electric Steam Production	2,876,938.00	-	-	(2,876,938.00)	(2,876,938.00)	-
Total 101101	2,876,938.00	-	-	(2,876,938.00)	(2,876,938.00)	-
105 Plant Held for Future Use						
Electric						
Electric Distribution	649,014.48	-	-	-	-	649,014.48
Electric Steam Production	4,182,559.70	-	-	-	-	4,182,559.70
	4,831,574.18	-	-	-	-	4,831,574.18
Total 105001	4,831,574.18	-	-	-	-	4,831,574.18

Louisville Gas & Electric Company
 Summary City Plant
 August 31, 2009

	Beginning Balance	Additions	Retirements	Transfers/ Adjustments	Net Additions	Ending Balance
106 Completed Construction Not Classified						
Common						
Common General Plant	1,922,810.85	(182,009.54)	-	-	(182,009.54)	1,740,801.31
Common Intangible Plant	1,374,736.40	551,194.28	-	-	551,194.28	1,925,930.68
	3,297,547.25	369,184.74	-	-	369,184.74	3,666,731.99
Electric						
Electric Distribution	53,528,201.00	8,731,993.55	-	-	8,731,993.55	62,260,194.55
Electric General Plant	121,321.11	(121,321.11)	-	-	(121,321.11)	-
Electric Hydro Production	56,785.36	(39,833.07)	-	-	(39,833.07)	16,952.29
Electric Intangible Plant	-	-	-	-	-	-
Electric Other Production	123,654.81	(102,982.61)	-	-	(102,982.61)	20,672.20
Electric Steam Production	13,060,279.51	(1,749,810.67)	-	-	(1,749,810.67)	11,310,468.84
Electric Transmission	1,573,129.06	(427,233.60)	-	-	(427,233.60)	1,145,895.46
	68,463,370.85	6,290,812.49	-	-	6,290,812.49	74,754,183.34
Gas						
Gas Distribution	37,599,096.45	6,102,009.18	-	-	6,102,009.18	43,701,105.63
Gas General Plant	-	166,587.32	-	-	166,587.32	166,587.32
Gas Intangible Plant	-	-	-	-	-	-
Gas Storage	1,318,828.23	3,095,229.54	-	-	3,095,229.54	4,414,057.77
Gas Transmission	-	1,233,287.90	-	-	1,233,287.90	1,233,287.90
	38,917,924.68	10,597,113.94	-	-	10,597,113.94	49,515,038.62
Total 106 Accounts	110,678,842.78	17,257,111.17	-	-	17,257,111.17	127,935,953.95
117 Gas Stored Underground - Noncurrent						
Gas						
Gas Stored Nonrecoverable	2,139,990.00	-	-	-	-	2,139,990.00
	2,139,990.00	-	-	-	-	2,139,990.00
Total 117001	2,139,990.00	-	-	-	-	2,139,990.00
121 Nonutility Property						
Common						
Nonutility Property	75,239.56	-	-	-	-	75,239.56
	75,239.56	-	-	-	-	75,239.56
Total 121001	75,239.56	-	-	-	-	75,239.56
107 Construction Work in Progress						
Construction Work in Progress						
Common	51,677,042.23	(42,427,989.25)	-	-	(42,427,989.25)	9,249,052.98
Electric	269,074,514.63	28,374,603.47	-	-	28,374,603.47	297,449,118.10
Gas	53,271,643.56	(5,481,777.71)	-	-	(5,481,777.71)	47,789,865.85
	374,023,200.42	(19,535,163.49)	-	-	(19,535,163.49)	354,488,036.93
Total Plant (Non-CWIP)	4,132,517,396.57	131,353,929.02	(33,517,207.00)	-	97,836,722.02	4,230,354,118.59
Total Plant + CWIP	4,506,540,596.99	111,818,765.53	(33,517,207.00)	-	78,301,558.53	4,584,842,155.52
Total Plant + CWIP - Nonutility (BS)	4,506,465,357.43	111,818,765.53	(33,517,207.00)	-	78,301,558.53	4,584,766,915.96

Louisville Gas and Electric Company
Summary of Utility Plant - Reserve for Depreciation of Utility Plant
August 31, 2009

	Beginning Balance	Accruals	Retirements	Transfers/ Adjustments	RWIP Transfers Out	Cost of Removal	Salvage	Other Credits	Ending Balance
Life Reserve									
Common General Plant	(68,115,611.49)	(8,435,189.57)	2,164,901.44	-	-	-	-	-	(74,385,899.62)
Common General Plant - ARO	(1,199.60)	(22.88)	-	-	-	-	-	-	(1,222.48)
Electric Distribution	(255,961,891.88)	(10,632,954.88)	2,550,070.20	(246.70)	-	-	-	(1,006.79)	(264,046,030.05)
Electric Distribution - ARO	(12,796.60)	(244.08)	-	-	-	-	-	-	(13,040.68)
Electric General Plant	(13,702,714.67)	(427,224.29)	211,919.75	(34.23)	-	-	-	-	(13,918,053.44)
Electric Hydro Production	(8,147,012.81)	(382,051.71)	1,371.95	(450,445.28)	-	-	-	-	(8,978,137.85)
Electric Hydro Production - ARO	(17,314.16)	(330.72)	-	-	-	-	-	-	(17,644.88)
Electric Other Production	(48,776,531.63)	(5,344,648.81)	4,847,716.34	(386,081.21)	-	-	-	-	(49,659,545.31)
Electric Other Production - ARO	(118,219.64)	(49,177.36)	78,906.72	-	-	-	-	-	(88,490.28)
Electric Steam Production	(980,719,365.60)	(35,348,791.04)	7,306,724.52	(6,122,148.92)	-	-	-	(49,320.83)	(1,014,932,901.87)
Electric Steam Production - ARO	(2,382,766.82)	(109,041.17)	-	(2,407.93)	-	-	-	-	(2,494,215.92)
Electric Transmission	(120,367,314.51)	(2,605,553.99)	656,618.80	6,958,922.11	-	-	-	(38,574.51)	(115,395,902.10)
Electric Transmission - ARO	(3,029.54)	(39.31)	-	2,407.93	-	-	-	-	(660.92)
Gas Distribution	(115,555,571.04)	(6,721,273.07)	213,694.91	-	-	-	-	-	(122,063,149.20)
Gas Distribution - ARO	(20,060.41)	(213.36)	-	-	-	-	-	-	(20,273.77)
Gas General Plant	(6,241,137.60)	(308,799.39)	201,582.81	-	-	-	-	-	(6,348,354.18)
Gas Storage	(34,022,860.14)	(621,611.28)	2,238,297.72	-	-	-	-	-	(32,406,173.70)
Gas Storage - ARO	(409,284.68)	(5,883.84)	-	-	-	-	-	-	(415,168.52)
Gas Stored Nonrecoverable	(9,358,516.52)	(34,162.76)	5,662.32	-	-	-	-	-	(9,387,016.96)
Gas Transmission	(63,360.36)	-	-	-	-	-	-	-	(63,360.36)
Non Utility Property	(1,663,996,559.70)	(71,027,213.51)	20,477,467.48	(34.23)	-	-	-	(88,902.13)	(1,714,635,242.09)
Cost of Removal									
Common General Plant	(469,247.42)	(164,267.26)	-	-	-	94,716.30	-	-	(538,798.38)
Electric Distribution	(157,755,648.48)	(4,168,135.44)	-	(0.30)	-	2,346,788.84	-	-	(159,576,995.38)
Electric General Plant	3,866.64	-	-	-	-	-	-	-	3,866.64
Electric Hydro Production	814,671.45	(24,362.49)	-	(823.08)	-	3,619.91	-	-	793,105.79
Electric Other Production	(2,039,438.56)	(203,311.44)	-	(705.46)	-	202,327.93	-	-	(2,041,127.53)
Electric Steam Production	(75,412,706.30)	(9,505,021.25)	-	(3,135.35)	-	2,760,683.76	-	-	(82,160,179.14)
Electric Transmission	(23,681,680.84)	(790,128.18)	-	4,664.19	-	1,010,393.45	-	-	(23,456,751.38)
Gas Distribution	(58,299,094.86)	(2,107,583.60)	-	-	-	67,961.76	-	-	(60,338,716.70)
Gas General Plant	(0.02)	-	-	-	-	-	-	-	(0.02)
Gas Storage	(403,035.01)	(75,047.65)	-	-	-	48,597.81	-	-	(429,484.85)
Gas Stored Nonrecoverable	-	-	-	-	-	-	-	-	-
Gas Transmission	(3,061,349.14)	(15,404.09)	-	-	-	56,744.63	-	-	(3,020,008.60)
Non Utility Property	(320,303,662.54)	(17,053,261.40)	-	-	-	6,591,834.39	-	-	(330,765,089.55)

September 22, 2009

Louisville Gas and Electric Company
 Summary of Utility Plant - Reserve for Depreciation of Utility Plant
 August 31, 2009

	Beginning Balance	Accruals	Retirements	Transfers/ Adjustments	RWIP Transfers Out	Cost of Removal	Salvage	Other Credits	Ending Balance
Salvage									
Common General Plant	301,592.06	5,865.86	-	-	-	-	-	-	307,457.92
Electric Distribution	15,611,295.13	817,163.65	-	-	-	-	-	-	16,428,458.78
Electric General Plant	132,019.58	3,242.57	-	-	-	-	-	-	135,262.15
Electric Hydro Production	433,316.55	-	-	-	-	-	(56,678.38)	-	376,638.17
Electric Other Production	2,644.83	-	-	-	-	-	(21,643.50)	-	(18,998.67)
Electric Steam Production	18,799,865.84	1,292,078.34	-	-	-	-	(430,232.93)	-	19,661,711.25
Electric Transmission	5,876,238.22	155,328.24	-	-	-	-	-	-	6,031,566.46
Gas Distribution	3,219,085.53	129,288.90	-	-	-	-	-	-	3,348,374.43
Gas General Plant	220,201.71	3,020.01	-	-	-	-	-	-	223,221.72
Gas Storage	236,769.87	10,321.86	-	-	-	-	-	-	247,091.73
Gas Stored Nonrecoverable	-	-	-	-	-	-	-	-	-
Gas Transmission	208,728.61	2,923.26	-	-	-	-	-	-	211,651.87
Non Utility Property	-	-	-	-	-	-	-	-	-
	45,041,757.93	2,419,232.69	-	-	-	-	(508,554.81)	-	46,952,435.81
Total Reserves									
Common	(68,347,826.81)	(8,593,613.85)	2,164,901.44	-	-	94,716.30	-	-	(74,681,822.92)
Electric	(1,647,424,513.80)	(67,323,203.36)	15,653,328.28	(34.23)	-	6,323,813.89	(508,554.81)	(88,902.13)	(1,693,368,066.16)
Gas	(223,486,123.70)	(9,744,425.01)	2,659,237.76	-	-	173,304.20	-	-	(230,398,006.75)
	(1,939,258,464.31)	(85,661,242.22)	20,477,467.48	(34.23)	-	6,591,834.39	(508,554.81)	(88,902.13)	(1,998,447,895.83)
Retirement Work in Progress									
Common	(9,092,255.82)	-	-	-	(94,716.30)	220,599.89	(41,860.76)	(70,400.00)	(9,078,632.99)
Electric	28,458,992.95	-	-	9,138.56	(5,726,356.95)	7,053,279.52	(308,299.47)	(415,040.89)	29,071,713.72
Gas	4,095,496.74	-	-	15,342.42	(173,304.20)	847,816.96	(1,451.05)	0.00	4,783,900.87
	23,462,233.87	-	-	24,480.98	(5,994,377.45)	8,121,696.37	(351,611.28)	(485,440.89)	24,776,981.60
YTD ACTIVITY	(1,915,796,230.44)	(85,661,242.22)	20,477,467.48	24,446.75	(5,994,377.45)	14,713,530.76	(860,166.09)	(574,343.02)	(1,973,670,914.23)
Amortization									
Common	(23,433,131.46)	(5,143,795.86)	13,039,739.52	-	-	-	-	-	(15,537,187.80)
Electric	(100.00)	-	-	-	-	-	-	-	(100.00)
Gas	(800.00)	-	-	-	-	-	-	-	(800.00)
	(23,434,031.46)	(5,143,795.86)	13,039,739.52	-	-	-	-	-	(15,538,087.80)
AMORTIZATION TOTAL	(23,434,031.46)	(5,143,795.86)	13,039,739.52	-	-	-	-	-	(15,538,087.80)
Depreciation & Amortization Total	(1,939,230,261.90)	(90,805,038.08)	33,517,207.00	24,446.75	(5,994,377.45)	14,713,530.76	(860,166.09)	(574,343.02)	(1,989,209,002.03)
Depr & Amort - Nonutility for Balance Sheet									
Utility Plant at Original Cost Less Reserve for Depreciation & Amortization (Excl nonutility)	2,567,298,455.89								2,595,621,274.29

LG&E Monthly Report to KPSC – July 31, 2009

LOUISVILLE GAS AND ELECTRIC COMPANY

Financial Reports

July 31, 2009

Prepared by Regulatory Accounting and Reporting

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Financial and Operating Reports
Louisville Gas and Electric Company
July 31, 2009

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Louisville Gas and Electric Company
Comparative Statement of Income
July 31, 2009

	Current Month		
	This Year Amount	Last Year Amount	Increase or Decrease Amount %
Electric Operating Revenues.....	83,780,886.05	99,271,720.14	(15,490,834.09) (15.60)
Gas Operating Revenues.....	10,408,969.04	14,316,453.34	(3,907,484.30) (27.29)
Total Operating Revenues.....	94,189,855.09	113,588,173.48	(19,398,318.39) (17.08)
Fuel for Electric Generation.....	28,454,955.36	33,357,245.29	(4,902,289.93) (14.70)
Power Purchased.....	3,410,826.00	7,975,009.66	(4,564,183.66) (57.23)
Gas Supply Expenses.....	4,349,617.02	9,124,835.20	(4,775,218.18) (52.33)
Other Operation Expenses.....	18,850,338.01	18,868,849.13	(18,511.12) (0.10)
Maintenance.....	7,055,529.49	7,240,861.74	(185,332.25) (2.56)
Depreciation.....	10,792,446.87	10,222,458.97	569,987.90 5.58
Amortization Expense.....	752,295.55	509,389.91	242,905.64 47.69
Regulatory Credits.....	(179,418.96)	(172,586.53)	(6,832.43) (3.96)
Taxes			
Federal Income.....	4,633,147.19	7,145,328.91	(2,512,181.72) (35.16)
State Income.....	844,950.86	1,361,015.02	(516,064.16) (37.92)
Deferred Federal Income - Net.....	-	-	-
Deferred State Income - Net.....	-	-	-
Property and Other.....	2,239,637.75	2,040,270.14	199,367.61 9.77
Investment Tax Credit.....	-	-	-
Amortization of Investment Tax Credit.....	(254,733.00)	(322,577.00)	67,844.00 21.03
Loss (Gain) from Disposition of Allowances.....	-	-	-
Accretion Expense.....	164,739.12	157,831.92	6,907.20 4.38
Total Operating Expenses.....	81,114,331.26	97,507,932.36	(16,393,601.10) (16.81)
Net Operating Income.....	13,075,523.83	16,080,241.12	(3,004,717.29) (18.69)
Other Income Less Deductions.....	377,554.97	136,886.03	240,668.94 175.82
Income Before Interest Charges.....	13,453,078.80	16,217,127.15	(2,764,048.35) (17.04)
Interest on Long-term Debt.....	3,721,738.06	3,357,880.81	363,857.25 10.84
Amortization of Debt Expense - Net.....	124,232.69	121,242.81	2,989.88 2.47
Other Interest Expenses.....	370,204.87	691,986.61	(321,781.74) (46.50)
Total Interest Charges.....	4,216,175.62	4,171,110.23	45,065.39 1.08
Net Income.....	9,236,903.18	12,046,016.92	(2,809,113.74) (23.32)

August 21, 2009

Louisville Gas and Electric Company
Comparative Statement of Income
July 31, 2009

	Year to Date		
	This Year Amount	Last Year Amount	Increase or Decrease Amount %
Electric Operating Revenues.....	544,753,841.01	563,627,267.88	(18,873,426.87) (3.35)
Gas Operating Revenues.....	256,905,711.24	264,298,359.13	(7,392,647.89) (2.80)
Total Operating Revenues.....	801,659,552.25	827,925,627.01	(26,266,074.76) (3.17)
Fuel for Electric Generation.....	201,801,731.89	193,925,645.17	7,876,086.72 4.06
Power Purchased.....	36,509,918.33	54,398,045.39	(17,888,127.06) (32.88)
Gas Supply Expenses.....	187,277,487.25	202,298,608.00	(15,021,120.75) (7.43)
Other Operation Expenses.....	126,410,519.45	116,577,526.77	9,832,992.68 8.43
Maintenance.....	93,463,703.71	57,993,761.15	35,469,942.56 61.16
Depreciation.....	74,548,889.59	70,003,426.87	4,545,462.72 6.49
Amortization Expense.....	4,442,604.38	3,260,761.66	1,181,842.72 36.24
Regulatory Credits.....	(1,297,375.56)	(1,191,795.14)	(105,580.42) (8.86)
Taxes			
Federal Income.....	5,795,195.11	20,934,979.19	(15,139,784.08) (72.32)
State Income.....	1,738,575.87	3,937,373.96	(2,198,798.09) (55.84)
Deferred Federal Income - Net.....	3,303,246.11	3,527,541.43	(224,295.32) (6.36)
Deferred State Income - Net.....	(724,228.25)	392,559.92	(1,116,788.17) (284.49)
Property and Other.....	15,658,461.56	14,242,408.64	1,416,052.92 9.94
Investment Tax Credit.....	1,824,672.98	3,575,000.00	(1,750,327.02) (48.96)
Amortization of Investment Tax Credit.....	(1,783,132.44)	(2,285,403.32)	502,270.88 21.98
Loss (Gain) from Disposition of Allowances.....	(66,274.06)	(456,254.88)	389,980.82 85.47
Accretion Expense.....	1,147,102.66	1,088,515.65	58,587.01 5.38
Total Operating Expenses.....	750,051,098.58	742,222,700.46	7,828,398.12 1.05
Net Operating Income.....	51,608,453.67	85,702,926.55	(34,094,472.88) (39.78)
Other Income Less Deductions.....	11,851,527.72	(1,577,276.42)	13,428,804.14 851.39
Income Before Interest Charges.....	63,459,981.39	84,125,650.13	(20,665,668.74) (24.57)
Interest on Long-term Debt.....	25,735,203.27	27,601,398.64	(1,866,195.37) (6.76)
Amortization of Debt Expense - Net.....	868,015.86	847,026.00	20,989.86 2.48
Other Interest Expenses.....	1,619,419.24	3,022,630.80	(1,403,211.56) (46.42)
Total Interest Charges.....	28,222,638.37	31,471,055.44	(3,248,417.07) (10.32)
Net Income.....	35,237,343.02	52,654,594.69	(17,417,251.67) (33.08)

August 21, 2009

Louisville Gas and Electric Company
Comparative Statement of Income
July 31, 2009

	Year Ended Current Month		
	This Year Amount	Last Year Amount	Increase or Decrease Amount %
Electric Operating Revenues.....	996,080,913.42	958,916,571.16	37,164,342.26 3.88
Gas Operating Revenues.....	450,972,445.19	401,725,578.95	49,246,866.24 12.26
Total Operating Revenues.....	1,447,053,358.61	1,360,642,150.11	86,411,208.50 6.35
Fuel for Electric Generation.....	352,412,821.17	327,964,293.40	24,448,527.77 7.45
Power Purchased.....	100,019,405.28	87,663,587.72	12,355,817.56 14.09
Gas Supply Expenses.....	338,129,513.23	299,369,777.62	38,759,735.61 12.95
Other Operation Expenses.....	203,900,781.84	190,646,250.24	13,254,531.60 6.95
Maintenance.....	129,995,787.12	96,540,705.87	33,455,081.25 34.65
Depreciation.....	125,897,366.87	120,310,984.68	5,586,382.19 4.64
Amortization Expense.....	7,062,244.46	5,702,495.68	1,359,748.78 23.84
Regulatory Credits.....	(2,172,192.67)	(2,006,929.89)	(165,262.78) (8.23)
Taxes			
Federal Income.....	24,903,625.60	27,579,208.51	(2,675,582.91) (9.70)
State Income.....	2,083,626.30	6,183,529.57	(4,099,903.27) (66.30)
Deferred Federal Income - Net.....	(2,489,411.63)	12,923,481.21	(15,412,892.84) (119.26)
Deferred State Income - Net.....	(3,610,283.81)	1,652,791.42	(5,263,075.23) (318.44)
Property and Other.....	25,373,125.27	22,276,229.14	3,096,896.13 13.90
Investment Tax Credit.....	6,370,700.98	7,354,626.00	(983,925.02) (13.38)
Amortization of Investment Tax Credit.....	(3,368,649.19)	(3,918,987.54)	550,338.35 14.04
Loss (Gain) from Disposition of Allowances.....	(66,274.06)	(456,254.88)	389,980.82 85.47
Accretion Expense.....	1,948,146.68	1,830,221.30	117,925.38 6.44
Total Operating Expenses.....	1,306,390,333.44	1,201,616,010.05	104,774,323.39 8.72
Net Operating Income.....	140,663,025.17	159,026,140.06	(18,363,114.89) (11.55)
Other Income Less Deductions.....	(17,789,956.00)	(1,867,467.17)	(15,922,488.83) (852.62)
Income Before Interest Charges.....	122,873,069.17	157,158,672.89	(34,285,603.72) (21.82)
Interest on Long-term Debt.....	41,244,176.06	46,194,362.28	(4,950,186.22) (10.72)
Amortization of Debt Expense - Net.....	1,606,616.13	1,449,331.76	157,284.37 10.85
Other Interest Expenses.....	7,239,247.66	5,528,826.87	1,710,420.79 30.94
Total Interest Charges.....	50,090,039.85	53,172,520.91	(3,082,481.06) (5.80)
Net Income.....	72,783,029.32	103,986,151.98	(31,203,122.66) (30.01)

August 21, 2009

Louisville Gas and Electric Company
Analysis of Retained Earnings
July 31, 2009

	Current Month		Year to Date		Year Ended Current Month	
	This Year	Last Year	This Year	Last Year	This Year	Last Year
Balance at Beginning of Period.....	686,162,111.03	690,569,967.97	740,161,671.19	689,961,390.20	702,615,984.89	638,685,828.91
Add:						
Net Income for Period.....	9,236,903.18	12,046,016.92	35,237,343.02	52,654,594.69	72,783,029.32	103,986,151.98
FIN 48 Adjustment.....	-	-	-	-	-	(55,996.00)
Deduct:						
Adjustment to Retained Earnings.....	-	-	-	-	-	-
Common Dividends	-	-	-	-	-	-
Common Stock Without Par Value.....	-	-	80,000,000.00	40,000,000.00	80,000,000.00	40,000,000.00
Balance at End of Period.....	<u>695,399,014.21</u>	<u>702,615,984.89</u>	<u>695,399,014.21</u>	<u>702,615,984.89</u>	<u>695,399,014.21</u>	<u>702,615,984.89</u>

August 21, 2009

Louisville Gas and Electric Company
Comparative Balance Sheets as of July 31, 2009 and 2008

	This Year	Last Year	Liabilities and Other Credits	This Year	Last Year
Assets and Other Debits					
Utility Plant			Capitalization		
Utility Plant at Original Cost.....	4,571,467,679.05	4,427,200,072.24	Common Stock.....	425,170,424.09	425,170,424.09
Less Reserves for Depreciation and Amortization....	1,980,124,600.72	1,919,916,017.58	Common Stock Expense.....	(835,888.64)	(835,888.64)
Total.....	2,591,343,078.33	2,507,284,054.66	Paid-In Capital.....	83,530,392.00	60,000,000.00
			Other Comprehensive Income.....	(10,645,398.25)	(11,528,159.17)
			Retained Earnings.....	695,399,014.21	702,615,984.89
			Total Common Equity.....	1,192,618,543.41	1,175,422,361.17
Investments			Pollution Control Bonds - Net of Recquired Bonds	411,104,000.00	315,104,000.00
Ohio Valley Electric Corporation.....	594,286.00	594,286.00	LT Notes Payable to Associated Companies.....	485,000,000.00	435,000,000.00
Nonutility Property-Less Reserve.....	11,879.20	11,879.20	Total Long-term Debt.....	896,104,000.00	750,104,000.00
Special Funds.....	14,693,611.02	12,089,053.41	Total Capitalization.....	2,088,722,543.41	1,925,526,361.17
Other.....	-	14,921,226.00			
Total.....	15,299,776.22	27,616,444.61			
			Current and Accrued Liabilities		
Current and Accrued Assets			ST Notes Payable to Associated Companies.....	167,935,400.00	320,568,200.00
Cash.....	3,653,061.38	1,935,833.63	Accounts Payable.....	66,792,261.66	119,178,516.59
Special Deposits.....	1,033,804.84	10,050,650.73	Accounts Payable to Associated Companies.....	6,208,592.74	15,109,769.32
Temporary Cash Investments.....	119.71	36,513.76	Customer Deposits.....	22,293,266.09	20,961,190.93
Accounts Receivable-Less Reserve.....	126,991,813.57	153,755,117.04	Taxes Accrued.....	18,009,548.82	8,012,958.03
Accounts Receivable from Associated Companies.....	4,888,158.78	4,114,082.45	Interest Accrued.....	10,797,104.58	9,159,334.52
Materials and Supplies-At Average Cost			ST Obligations Under Capital Leases.....	-	183,374.27
Fuel.....	56,617,695.14	38,314,595.06	Miscellaneous Current and Accrued Liabilities.....	20,517,986.26	13,622,482.58
Plant Materials and Operating Supplies.....	29,005,212.40	27,175,913.98	Total.....	312,554,160.15	506,795,826.24
Stores Expense.....	4,065,091.36	4,435,786.68			
Gas Stored Underground.....	39,937,329.48	77,614,574.36	Deferred Credits and Other		
Allowance Inventory.....	4,899.15	10,003.99	Accumulated Deferred Income Taxes.....	413,944,625.65	403,725,012.44
Prepayments.....	4,222,446.45	3,952,538.93	Investment Tax Credit.....	50,390,610.67	47,388,558.88
Miscellaneous Current and Accrued Assets.....	3,845,529.75	13,072.09	Regulatory Liabilities.....	95,586,580.60	54,023,345.01
Total.....	274,265,162.01	321,408,682.70	Customer Advances for Construction.....	9,627,009.75	18,415,724.79
			Asset Retirement Obligations.....	33,311,022.15	30,427,863.77
Deferred Debits and Other			Other Deferred Credits.....	31,507,513.17	27,473,808.82
Unamortized Debt Expense.....	3,931,584.26	7,108,898.94	Miscellaneous Long-term Liabilities.....	38,249,738.32	26,975,681.47
Unamortized Loss on Bonds.....	23,639,046.18	21,140,821.46	Accum Provision for Postretirement Benefits.....	215,677,309.25	93,281,930.35
Accumulated Deferred Income Taxes.....	58,374,398.43	49,967,345.36	Total.....	888,294,409.56	701,711,925.53
Deferred Regulatory Assets.....	321,261,713.67	150,685,392.82			
Other Deferred Debits.....	1,456,354.02	48,822,472.39	Total Liabilities and Other Credits.....	3,289,571,113.12	3,134,034,112.94
Total.....	408,663,096.56	277,724,930.97			
Total Assets and Other Debits.....	3,289,571,113.12	3,134,034,112.94			

Louisville Gas and Electric Company
Statement of Capitalization and Short-term Debt
July 31, 2009

	Authorized Shares	Issued and Outstanding Shares	Amount	Percent of Total	
				Capital and ST Debt	Capital
Common Equity					
Common Stock - Without Par.....	75,000,000	21,294,223	425,170,424.09		
Common Stock Expense.....			(835,888.64)		
Paid-In Capital.....			83,530,392.00		
Other Comprehensive Income.....			(10,645,398.25)		
Retained Earnings.....			695,399,014.21		
Total Common Equity.....			<u>1,192,618,543.41</u>	<u>52.85</u>	<u>57.10</u>
Long-term Debt					
Pollution Control Bonds					
Jefferson County 2000 Series A due 05/01/27 5.375%.....			25,000,000.00		
Trimble County 2000 Series A due 08/01/30 Var ^o			83,335,000.00		
Jefferson County 2001 Series A due 09/01/27 Var ^o			10,104,000.00		
Jefferson County 2001 Series A due 09/01/26 Var ^o			22,500,000.00		
Trimble County 2001 Series A due 09/01/26 Var ^o			27,500,000.00		
Jefferson County 2001 Series B due 11/01/27 Var ^o			35,000,000.00		
Trimble County 2001 Series B due 11/01/27 Var ^o			35,000,000.00		
Trimble County 2002 Series A due 10/01/32 Var ^o			41,665,000.00		
Louisville Metro 2003 Series A due 10/01/33 Var ^o			128,000,000.00		
Louisville Metro 2005 Series A due 02/01/35 5.750%.....			40,000,000.00		
Louisville Metro 2007 Series A due 06/01/33 5.625%.....			31,000,000.00		
Louisville Metro 2007 Series B due 06/01/33 Var ^o			35,200,000.00		
Trimble County 2007 Series A due 06/01/33 4.600%.....			60,000,000.00		
Total Pollution Control Bonds.....			<u>574,304,000.00</u>	<u>25.45</u>	<u>27.50</u>
Less Reacquired Bonds					
Louisville Metro 2003 Series A due 10/01/33 Var ^o			(128,000,000.00)		
Louisville Metro 2007 Series B due 06/01/33 Var ^o			(35,200,000.00)		
			<u>(163,200,000.00)</u>	<u>(7.23)</u>	<u>(7.81)</u>
Total Pollution Control Bonds - Net of Reacquired Bonds.....			<u>411,104,000.00</u>	<u>18.22</u>	<u>19.68</u>
Long-term Notes Payable to Associated Companies.....			<u>485,000,000.00</u>	<u>21.49</u>	<u>23.22</u>
Total Capitalization.....			<u>2,088,722,543.41</u>	<u>92.56</u>	<u>100.00</u>
Short-term Notes Payable to Associated Companies.....			<u>167,935,400.00</u>	<u>7.44</u>	
Total Capitalization and Short-term Debt.....			<u>2,256,657,943.41</u>	<u>100.00</u>	

August 21, 2009

Louisville Gas and Electric Company
Summary Trial Balance
July 31, 2009

<u>Account - Subsidiary Account</u>	<u>Balance Subsidiary Account</u>	<u>Balance as Shown on Balance Sheets</u>
Utility Plant		
At Original Cost.....	4,571,467,679.05	4,571,467,679.05
Reserves for Depreciation and Amortization.....		(1,980,124,600.72)
Depreciation of Plant		
Electric.....	(1,657,694,753.43)	
Gas.....	(224,657,097.66)	
Common.....	(82,738,685.08)	
Amortization of Plant		
Common.....	(15,033,164.55)	
Gas.....	(800.00)	
Electric.....	(100.00)	
Investments.....		15,299,776.22
Special Funds.....	14,693,611.02	
Ohio Valley Electric Corporation.....	594,286.00	
Nonutility Property.....	75,239.56	
Nonutility Property Reserve.....	(63,360.36)	
Cash.....	3,653,061.38	3,653,061.38
Special Deposits.....		1,033,804.84
Other Special Deposits.....	1,033,804.84	
Temporary Cash Investments.....	119.71	119.71
Accounts Receivable - Less Reserve.....		126,991,813.57
Customers - Active.....	70,159,209.16	
Unbilled Revenues.....	47,609,176.00	
IMPA.....	2,143,588.32	
IMEA.....	2,128,082.50	
Income Tax Receivable - Federal.....	2,109,812.50	
Sundry Accounts Receivable.....	1,384,572.43	
Electricity Swaps.....	1,278,472.00	
Damage Claims.....	486,569.00	
Wholesale Sales.....	267,947.78	
Transmission Sales.....	222,716.96	
Employee Computer Loans.....	74,886.46	
Interest and Dividends Receivable.....	24,156.76	
Working Funds.....	20,630.00	
Rents Receivable.....	1,774.26	
Reserves for Uncollectible Accounts		
Utility Customers		
Charged Off.....	3,276,272.52	
A/R Miscellaneous.....	(642,951.00)	
Reserve.....	(1,045,418.00)	
Recoveries.....	(1,046,275.24)	
Accrual.....	(2,229,814.28)	
Other.....	768,405.44	
Accounts Receivable from Associated Companies.....		4,888,158.78
E.ON US Services/Kentucky Utilities Company.....	4,888,158.78	
Fuel.....		56,617,695.14
Coal 1,426,128.25 Tons @ \$39.38; MMBtu 32,363,560.93 @ 173.55¢.....	56,168,004.55	
Fuel Oil 221,922.00 Gallons @ 166.17¢.....	368,768.74	
Gas Pipeline 5,200.00 Mcf @ \$15.56.....	80,921.85	
Plant Materials and Operating Supplies.....		29,005,212.40
Regular Materials and Supplies.....	28,610,989.13	
Limestone 49,739.91 Tons @ \$7.93.....	394,223.27	

August 21, 2009

Louisville Gas and Electric Company
Summary Trial Balance
July 31, 2009

<u>Account - Subsidiary Account</u>	<u>Balance Subsidiary Account</u>	<u>Balance as Shown on Balance Sheets</u>
Stores Expense Undistributed.....	4,065,091.36	4,065,091.36
Gas Stored Underground - Current.....		39,937,329.48
Gas St. Underground* 6,597,998.00 Mcf (14.73 psia) @ \$ 6.05.....	39,937,329.48	
Allowance Inventory.....	4,899.15	4,899.15
Prepayments.....		4,222,446.45
Taxes.....	1,778,429.64	
Insurance.....	1,439,877.44	
Rights of Way.....	253,333.37	
Franchises.....	114,172.67	
Risk Management and Workers Compensation.....	90,000.00	
Vehicle License.....	41,980.27	
Other.....	504,653.06	
Miscellaneous Current Assets.....		3,845,529.75
Derivative Asset - Non-Hedging.....	3,845,529.75	
Unamortized Debt Expense.....		3,931,584.26
Trimble County 2000 Series A due 08/01/30 Var%.....	812,728.29	
Jefferson County 2001 Series A due 09/01/27 Var%.....	368,743.14	
Jefferson County 2001 Series B due 11/01/27 Var%.....	200,663.29	
Trimble County 2001 Series A due 09/01/26 Var%.....	184,329.01	
Jefferson County 2001 Series A due 09/01/26 Var%.....	169,531.08	
Trimble County 2001 Series B due 11/01/27 Var%.....	200,696.20	
Trimble County 2002 Series A due 10/01/32 Var%.....	862,274.79	
Trimble County 2007 Series A due 06/01/33 4.600%.....	1,132,618.46	
Unamortized Loss on Bonds.....	23,639,046.18	23,639,046.18
Accumulated Deferred Income Taxes.....		58,374,398.43
Federal.....		
Electric.....	45,115,225.69	
Gas.....	4,296,448.18	
State.....		
Electric.....	8,179,177.79	
Gas.....	783,546.77	
Regulatory Assets.....		321,261,713.67
Pension and Postretirement Benefits.....	249,597,539.00	
Asset Retirement Obligations.....		
Electric.....	21,406,636.83	
Gas.....	8,349,171.23	
Common.....	25,603.16	
2008 Wind Storm.....	23,540,332.79	
MISO Exit Fee.....	6,235,299.74	
Environmental Cost Recovery.....	5,037,117.00	
Gas Supply Clause/PBR.....	3,563,908.77	
ECR Ash Hauling.....	1,543,240.48	
Rate Case Expenses.....	854,437.10	
EKPC FERC Transmission Costs.....	777,206.96	
KCCS Funding.....	769,220.61	
Fuel Adjustment Clause.....	(438,000.00)	
Other Deferred Debits.....	1,456,354.02	1,456,354.02
Total Assets and Other Debits.....	<u>3,289,571,113.12</u>	<u>3,289,571,113.12</u>

* Excludes:

	\$	Mcf
Non-recoverable Base Gas	9,648,855.00	7,880,000
Recoverable Base Gas	<u>2,139,990.00</u>	<u>2,930,000</u>
	11,788,845.00	10,810,000

August 21, 2009

Louisville Gas and Electric Company
Summary Trial Balance
July 31, 2009

<u>Account - Subsidiary Account</u>	<u>Balance Subsidiary Account</u>	<u>Balance as Shown on Balance Sheets</u>
Common Equity.....		768,284,007.96
Common Stock.....	425,170,424.09	
Common Stock Expense.....	(835,888.64)	
Paid-In Capital.....	83,530,392.00	
Other Comprehensive Income.....	(10,645,398.25)	
Retained Earnings.....	695,399,014.21	
Bonds.....	411,104,000.00	411,104,000.00
Long-term Notes Payable to Associated Companies.....	485,000,000.00	485,000,000.00
Short-term Notes Payable to Associated Companies.....	167,935,400.00	167,935,400.00
Accounts Payable.....		66,792,261.66
Regular.....	65,519,108.59	
Salaries and Wages Accrued.....	1,312,793.64	
Employee Withholdings Payable.....	(39,640.57)	
Accounts Payable to Associated Companies.....		6,208,592.74
E.ON US Services/Kentucky Utilities Company.....	6,208,592.74	
Customers' Deposits.....	22,293,266.09	22,293,266.09
Taxes Accrued.....	18,009,548.82	18,009,548.82
Interest Accrued.....		10,797,104.58
Jefferson County 2000 Series A due 05/01/27 5.375%.....	335,937.58	
Trimble County 2000 Series A due 08/01/30 Var%.....	23,333.82	
Jefferson County 2001 Series A due 09/01/27 Var%.....	292.00	
Jefferson County 2001 Series A due 09/01/26 Var%.....	12,328.80	
Trimble County 2001 Series A due 09/01/26 Var%.....	16,952.03	
Jefferson County 2001 Series B due 11/01/27 Var%.....	21,862.99	
Trimble County 2001 Series B due 11/01/27 Var%.....	21,863.30	
Trimble County 2002 Series A due 10/01/32 Var%.....	9,917.38	
Louisville Metro 2003 Series A 11/20/03 due 10/01/33 Var%.....	(0.04)	
Louisville Metro 2005 Series A due 02/01/35 5.750%.....	1,143,611.20	
Louisville Metro 2007 Series A due 06/01/33 5.625%.....	290,625.05	
Louisville Metro 2007 Series B 04/26/07 due 06/01/33 Var%.....	0.01	
Trimble County 2007 Series A due 06/01/33 4.600%.....	460,000.00	
Fidelia.....	7,244,550.56	
Interest Rate Swaps.....	676,691.95	
Customers' Deposits.....	397,988.73	
Other.....	141,149.22	
Miscellaneous Current and Accrued Liabilities.....		20,517,986.26
Vacation Pay Accrued.....	5,489,700.72	
Customer Overpayments.....	3,820,771.22	
Postretirement Benefits - Current.....	3,411,968.00	
No-Notice Gas Payable.....	2,853,290.71	
Unearned Revenue - Current.....	2,522,329.33	
Tax Collections Payable.....	1,133,564.92	
Service Deposit Refund Payable.....	1,036,763.90	
Derivative Liabilities - Non-Hedging.....	112,923.28	
Other.....	136,674.18	

August 21, 2009

Louisville Gas and Electric Company
Summary Trial Balance
July 31, 2009

<u>Account - Subsidiary Account</u>	<u>Balance Subsidiary Account</u>	<u>Balance as Shown on Balance Sheets</u>
Accumulated Deferred Income Taxes.....		413,944,625.65
Federal		
Electric.....	309,505,690.19	
Gas.....	46,935,796.45	
State		
Electric.....	50,620,692.63	
Gas.....	6,882,446.38	
Investment Tax Credit.....		50,390,610.67
Investment Tax Credit (prior law)		
Job Development Credit		
Electric.....	27,565,370.52	
Gas.....	899,913.17	
Advanced Coal Credit.....	21,925,326.98	
Regulatory Liabilities.....		95,586,580.60
Deferred Taxes		
Federal		
Electric.....	21,982,643.19	
Gas.....	1,348,806.11	
State		
Electric.....	17,062,262.70	
Gas.....	2,548,653.16	
Gas Supply Clause/PBR.....	36,255,809.18	
DSM Cost Recovery.....	10,109,558.13	
MISO Schedule 10 Charges.....	2,982,233.92	
Asset Retirement Obligations		
Gas.....	2,611,165.36	
Electric.....	685,448.85	
Customers' Advances for Construction.....		9,627,009.75
Line Extensions		
Gas.....	7,714,336.42	
Electric.....	1,048,197.21	
Customer Advances - Museum Plaza.....	864,476.12	
Asset Retirement Obligations		33,311,022.15
Electric.....	24,796,510.87	
Gas.....	8,486,392.59	
Common.....	28,118.69	
Other Deferred Credits.....	31,507,513.17	31,507,513.17
Miscellaneous Long-term Liabilities.....		38,249,738.32
Long-term Derivative Liabilities - SFAS 133.....	32,984,831.02	
Workers' Compensation.....	5,264,907.30	
Accumulated Provision for Benefits.....		215,677,309.25
Pension Payable.....	135,235,667.00	
Postretirement Benefits - SFAS 106.....	76,865,910.25	
Post Employment Benefits Payable.....	3,747,857.00	
Post Employment Medicare Subsidy.....	(172,125.00)	
Total Liabilities and Other Credits.....	<u>3,289,571,113.12</u>	<u>2,865,236,577.67</u>

August 21, 2009

Louisville Gas and Electric Company
Statement of Cash Flows
July 31, 2009

	Year to Date	
	2009	2008
Cash Flows from Operating Activities		
Net income.....	35,237,343.02	52,654,594.69
Items not requiring (providing) cash currently:		
Depreciation.....	74,548,889.59	70,003,426.87
Amortization.....	4,442,604.38	3,260,761.66
Deferred income taxes - net.....	2,579,017.86	7,801,255.42
Investment tax credit - net.....	41,540.54	1,289,596.68
Other.....	2,824,607.96	550,645.16
Change in receivables.....	72,118,912.91	37,457,870.58
Change in inventory.....	65,256,888.06	10,565,180.65
Change in allowance inventory.....	1,061.06	1,455.48
Change in payables and accrued expenses.....	(52,677,027.29)	9,876,924.01
Change in regulatory assets.....	(4,022,036.84)	336,656.46
Change in regulatory liabilities.....	39,320,349.44	(1,092,192.61)
Change in other deferred debits.....	40,121,463.00	(15,648,905.05)
Change in other deferred credits.....	(12,144,503.28)	(13,388,444.59)
Other.....	(26,236,453.59)	(5,631,891.84)
Gain on disposal of assets.....	(24,480.98)	-
Net cash provided (used) by operating activities.....	<u>241,388,175.84</u>	<u>158,036,933.57</u>
Cash Flows from Investing Activities		
Gross additions to utility plant - construction expenditures.....	(97,672,139.72)	(107,824,208.89)
Gross additions to common utility plant - construction expenditures.....	(7,584,557.32)	(20,113,169.65)
Change in restricted cash.....	-	(385,820.55)
Change in non-hedging derivatives.....	(2,514,438.08)	494,317.23
Proceeds received from sales of property.....	24,480.98	-
Net cash provided (used) by investing activities.....	<u>(107,746,654.14)</u>	<u>(127,828,881.86)</u>
Cash Flows from Financing Activities		
Proceeds from issuance of long-term debt.....	(212,378.98)	24,901,614.72
Net change in short-term debt.....	(54,063,800.00)	242,327,000.00
Payments for reacquisition of long-term debt.....	-	(259,200,000.00)
Net change in short-term capital lease obligations.....	(23,650.00)	(222,063.42)
Net change in long-term capital lease obligations.....	-	(23,649.00)
Net change in restricted cash.....	-	(367,025.50)
Dividends on common stock.....	(80,000,000.00)	(40,000,000.00)
Net cash provided (used) by financing activities.....	<u>(134,299,828.98)</u>	<u>(32,584,123.20)</u>
Net Increase (Decrease) in Cash and Cash Equivalents.....	(658,307.28)	(2,376,071.49)
Cash and Cash Equivalents at Beginning of Period.....	<u>4,311,488.37</u>	<u>4,348,418.88</u>
Cash and Cash Equivalents at End of Period.....	<u>3,653,181.09</u>	<u>1,972,347.39</u>

August 21, 2009

Louisville Gas and Electric Company
Analysis of Interest Charges
July 31, 2009

	Current Month		Year to Date		Year Ended Current Month	
	This Year	Last Year	This Year	Last Year	This Year	Last Year
Interest on Long-term Debt						
Loan Agreement - Pollution Control Bonds						
Jefferson County 2000 Series A due 05/01/27 5.375%.....	111,979.17	-	783,854.19	539,670.12	918,231.26	937,968.73
Trimble County 2000 Series A due 08/01/30 Var%.....	34,676.62	230,180.53	189,355.66	1,687,508.29	1,103,985.09	3,257,049.26
Jefferson County 2001 Series A due 09/01/27 Var%.....	4,103.36	26,666.42	28,809.35	194,750.40	122,666.25	374,795.29
Jefferson County 2001 Series A due 09/01/26 Var%.....	16,027.40	38,114.76	156,844.90	355,755.70	326,340.62	698,498.31
Trimble County 2001 Series A due 09/01/26 Var%.....	21,472.60	46,584.71	193,582.88	434,812.48	400,744.31	853,720.09
Jefferson County 2001 Series B due 11/01/27 Var%.....	31,068.49	62,254.10	215,691.32	564,204.90	473,519.95	1,101,156.15
Trimble County 2001 Series B due 11/01/27 Var%.....	31,068.49	62,254.10	215,691.32	564,204.90	473,519.95	1,098,567.12
Trimble County 2002 Series A due 10/01/32 Var%.....	12,929.85	127,685.01	129,263.11	963,599.92	616,882.50	1,676,528.04
Louisville Metro 2003 Series A due 10/01/33 Var%.....	(5,409.06)	163,413.31	(37,863.42)	3,567,377.73	(726,175.84)	5,596,764.39
Louisville Metro 2005 Series A due 02/01/35 5.750%.....	191,666.67	-	1,341,666.68	495,511.11	1,571,666.69	1,108,233.35
Louisville Metro 2007 Series A due 06/01/33 5.625%.....	145,312.50	-	1,017,187.50	496,799.20	1,191,562.52	985,608.92
Louisville Metro 2007 Series B due 06/01/33 Var%.....	-	-	(0.03)	568,520.74	(0.03)	1,120,730.53
Trimble County 2007 Series A due 06/01/33 4.600%.....	230,000.00	230,000.00	1,610,000.02	1,620,603.33	2,760,000.02	2,762,936.69
Interest Rate Swaps.....	676,691.97	469,609.65	4,350,069.67	2,776,779.88	6,368,432.65	3,470,517.70
Notes/Debentures.....	-	54,468.22	-	-	-	134,907.24
Fidelity.....	2,220,150.00	1,846,650.00	15,541,050.12	12,771,299.94	25,642,800.12	21,016,380.47
Total.....	3,721,738.06	3,357,880.81	25,735,203.27	27,601,398.64	41,244,176.06	46,194,362.28
Amortization of Debt Expense - Net						
Amortization of Debt Expense.....	15,517.65	25,402.30	108,274.52	202,596.68	185,331.87	371,395.69
Amortization of Loss on Reacquired Debt.....	108,715.04	95,840.51	759,741.34	644,429.32	1,421,284.26	1,077,936.07
Total.....	124,232.69	121,242.81	868,015.86	847,026.00	1,606,616.13	1,449,331.76
Other Interest Charges						
Customers' Deposits.....	114,859.00	92,324.50	680,396.60	608,561.38	1,151,230.16	1,023,297.65
Other Tax Deficiencies.....	-	-	-	2,223.00	(4,333.00)	(655.41)
Gas Refunds.....	-	-	-	-	-	88.78
Interest on DSM Cost Recovery.....	5,276.80	-	45,934.23	-	87,613.32	-
Interest on Debt to Associated Companies.....	46,040.28	586,369.11	520,660.31	2,315,259.43	4,436,477.21	4,409,508.86
Other Interest Expense.....	204,028.79	13,293.00	372,428.10	96,586.99	1,568,259.97	96,586.99
Total.....	370,204.87	691,986.61	1,619,419.24	3,022,630.80	7,239,247.66	5,528,826.87
Total Interest.....	4,216,175.62	4,171,110.23	28,222,638.37	31,471,055.44	50,090,039.85	53,172,520.91

August 21, 2009

Louisville Gas and Electric Company
Analysis of Taxes Charged and Accrued
July 31, 2009

Kind of Taxes	Current Month		Year To Date	
	This Year	Last Year	This Year	Last Year
Taxes Charged to Accounts 408.1 and 409.1				
Property Taxes.....	1,456,758.89	1,352,184.77	10,295,285.41	9,465,293.39
Unemployment.....	7,206.83	6,621.73	118,190.73	92,170.99
FICA.....	613,996.61	516,587.87	4,104,931.74	3,438,859.44
Public Service Commission Fee.....	161,675.42	157,536.02	1,106,891.53	1,127,229.92
Federal Income.....	4,633,147.19	7,145,328.91	5,795,195.11	20,934,979.19
State Income.....	844,950.86	1,361,015.02	1,738,575.87	3,937,373.96
Miscellaneous.....	-	7,339.75	33,162.15	118,854.90
Total Charged to Operating Expense.....	7,717,735.80	10,546,614.07	23,192,232.54	39,114,761.79
Taxes Charged to Other Accounts.....	482,868.26	276,647.03	8,310,553.96	7,319,144.01
Taxes Accrued on Intercompany Accounts.....	(215,856.10)	(180,225.62)	(1,503,743.28)	(1,258,018.68)
Total Taxes Charged.....	7,984,747.96	10,643,035.48	29,999,043.22	45,175,887.12

Analysis of Taxes Accrued - Account 236

Kind of Taxes	Taxes Accrued		Payments		Taxes Accrued	
	At Beginning	Accruals	To Date	To Date	At End	Of Month
	Of Year	To Date	This Year	This Year	Of Month	Of Month
Property Taxes.....	9,963,700.60	10,446,013.98	9,774,957.25	10,634,757.33		
Unemployment.....	68,978.84	68,551.12	136,927.87	602.09		
FICA.....	698,416.45	3,489,409.78	3,883,005.91	304,820.32		
Federal Income.....	5,330,534.78	11,425,707.29	11,919,688.90	4,836,553.17		
State Income.....	1,741,239.63	2,380,648.76	2,158,769.00	1,963,119.39		
Kentucky Sales and Use Tax.....	578,874.39	2,074,918.16	2,407,529.02	246,263.53		
Miscellaneous.....	-	113,794.13	90,361.14	23,432.99		
Totals.....	18,381,744.69	29,999,043.22	30,371,239.09	18,009,548.82		

August 21, 2009

Louisville Gas and Electric Company
 Summary of Utility Plant
 July 31, 2009

	Beginning Balance	Additions	Retirements	Transfers/ Adjustments	Net Additions	Ending Balance
101 Utility Plant in Service						
Common						
Common General Plant	156,628,323.83	7,891,858.33	(2,056,165.71)	-	5,835,692.62	162,464,016.45
Common Intangible Plant	30,504,727.59	42,999,462.50	(12,842,571.29)	-	30,156,891.21	60,661,618.80
	187,133,051.42	50,891,320.83	(14,898,737.00)	-	35,992,583.83	223,125,635.25
Electric						
Electric Distribution	768,525,773.32	7,650,249.32	(1,712,899.51)	18,468.18	5,955,817.99	774,481,591.31
Electric General Plant	16,739,305.40	294,293.94	(211,919.75)	-	82,374.19	16,821,679.59
Electric Hydro Production	40,692,754.42	112,177.32	(1,371.95)	743,189.41	853,994.78	41,546,749.20
Electric Intangible Plant	2,340.29	-	-	-	-	2,340.29
Electric Other Production	226,677,788.60	6,117,018.01	(4,926,623.06)	3,381,620.44	4,572,015.39	231,249,803.99
Electric Steam Production	1,957,945,552.56	22,199,052.33	(6,916,995.14)	15,422,227.79	30,704,284.98	1,988,649,837.54
Electric Transmission	256,087,174.79	5,095,001.11	(654,965.72)	(16,688,547.82)	(12,248,512.43)	243,838,662.36
	3,266,670,689.38	41,467,792.03	(14,424,775.13)	2,876,958.00	29,919,974.90	3,296,590,664.28
Gas						
Gas Distribution	473,727,554.77	2,471,542.51	(213,694.91)	-	2,257,847.60	475,985,402.37
Gas General Plant	9,038,472.86	182,720.97	(189,622.59)	-	(6,901.62)	9,031,571.24
Gas Intangible Plant	1,187.49	-	-	-	-	1,187.49
Gas Storage	62,441,928.04	2,244,729.59	(2,238,297.72)	-	6,431.87	62,448,359.91
Gas Transmission	12,901,908.09	375,746.53	(1,280.97)	-	374,465.56	13,276,373.65
	558,111,051.25	5,274,739.60	(2,642,896.19)	-	2,631,843.41	560,742,894.66
Total 101 Accounts	4,011,914,792.05	97,633,852.46	(31,966,408.32)	2,876,958.00	68,544,402.14	4,080,459,194.19
101 Property Under Capital Leases						
Electric Capital Leased Property	2,876,958.00	-	-	(2,876,958.00)	(2,876,958.00)	-
Electric Steam Production	2,876,958.00	-	-	(2,876,958.00)	(2,876,958.00)	-
Total 101101	2,876,958.00	-	-	(2,876,958.00)	(2,876,958.00)	-
105 Plant Held for Future Use						
Electric						
Electric Distribution	649,014.48	-	-	-	-	649,014.48
Electric Steam Production	4,182,559.70	-	-	-	-	4,182,559.70
	4,831,574.18	-	-	-	-	4,831,574.18
Total 105001	4,831,574.18	-	-	-	-	4,831,574.18

Louisville Gas and Electric Company
 Summary of Utility Plant
 July 31, 2009

	Beginning Balance	Additions	Retirements	Transfers/Adjustments	Net Additions	Ending Balance
106 Completed Construction Not Classified						
Common						
Common General Plant	1,922,810.85	(196,019.97)	-	-	(196,019.97)	1,726,790.88
Common Intangible Plant	1,374,736.40	277,057.16	-	-	277,057.16	1,651,793.56
	3,297,547.25	81,037.19	-	-	81,037.19	3,378,584.44
Electric						
Electric Distribution	53,528,201.00	22,133,312.84	-	-	22,133,312.84	75,661,513.84
Electric General Plant	121,321.11	(121,321.11)	-	-	(121,321.11)	-
Electric Hydro Production	56,785.36	(40,013.87)	-	-	(40,013.87)	16,771.49
Electric Intangible Plant	-	-	-	-	-	-
Electric Other Production	123,654.81	(102,982.61)	-	-	(102,982.61)	20,672.20
Electric Steam Production	13,060,279.51	(893,263.49)	-	-	(893,263.49)	12,167,016.02
Electric Transmission	1,573,129.06	(467,054.47)	-	-	(467,054.47)	1,106,074.59
	68,463,370.85	20,508,677.29	-	-	20,508,677.29	88,972,048.14
Gas						
Gas Distribution	37,599,096.45	5,815,788.89	-	-	5,815,788.89	43,414,885.34
Gas General Plant	-	105,958.59	-	-	105,958.59	105,958.59
Gas Intangible Plant	-	-	-	-	-	-
Gas Storage	1,318,828.23	2,109,984.95	-	-	2,109,984.95	3,428,813.18
Gas Transmission	38,917,924.68	9,160,588.07	-	-	9,160,588.07	48,078,512.75
	110,678,842.78	29,750,302.55	-	-	29,750,302.55	140,429,145.33
Total 106 Accounts						
	2,139,990.00	-	-	-	-	2,139,990.00
	2,139,990.00	-	-	-	-	2,139,990.00
	2,139,990.00	-	-	-	-	2,139,990.00
121 Nonutility Property						
Common						
Nonutility Property	75,239.56	-	-	-	-	75,239.56
	75,239.56	-	-	-	-	75,239.56
	75,239.56	-	-	-	-	75,239.56
107 Construction Work in Progress						
Construction Work in Progress						
Common						
Common	51,677,042.23	(43,387,800.70)	-	-	(43,387,800.70)	8,289,241.53
Electric	269,074,514.63	18,169,944.38	-	-	18,169,944.38	287,244,459.01
Gas	53,271,643.56	(5,197,568.75)	-	-	(5,197,568.75)	48,074,074.81
	374,023,200.42	(30,415,425.07)	-	-	(30,415,425.07)	343,607,775.35
Total Plant (Non-CWIP)	4,132,517,396.57	127,384,155.01	(31,966,408.32)	-	95,417,746.69	4,227,935,143.26
Total Plant + CWIP	4,506,540,596.99	96,968,729.94	(31,966,408.32)	-	65,002,321.62	4,571,542,918.61
Total Plant + CWIP - Nonutility (BS)	4,506,465,357.43	96,968,729.94	(31,966,408.32)	-	65,002,321.62	4,571,467,679.05

Louisville Gas and Electric Company
 Summary of Utility Plant - Reserve for Depreciation of Utility Plant
 July 31, 2009

	Beginning Balance	Accruals	Retirements	Transfers/ Adjustments	RWIP Transfers Out	Cost of Removal	Salvage	Other Credits	Ending Balance
Life Reserve									
Common General Plant - ARO	(68,115,611.49)	(7,304,280.18)	2,056,165.71	-	-	-	-	-	(73,363,725.96)
Common General Plant - ARO	(1,199.60)	(20.02)	-	-	-	-	-	-	(1,219.62)
Electric Distribution	(255,961,891.88)	(9,337,220.18)	1,712,899.51	(246.70)	-	-	-	-	(263,586,459.25)
Electric Distribution - ARO	(12,796.60)	(213.57)	-	-	-	-	-	-	(13,010.17)
Electric General Plant	(13,702,714.67)	(369,644.83)	211,919.75	(34.23)	-	-	-	-	(13,860,473.98)
Electric Hydro Production	(8,147,012.81)	(335,847.47)	1,371.95	(450,445.28)	-	-	-	-	(8,931,933.61)
Electric Hydro Production - ARO	(17,314.16)	(289.38)	-	-	-	-	-	-	(17,603.54)
Electric Other Production	(48,776,531.63)	(4,666,309.18)	4,847,716.34	(386,081.21)	-	-	-	-	(48,981,205.68)
Electric Other Production - ARO	(118,219.64)	(48,970.31)	78,906.72	-	-	-	-	-	(88,283.23)
Electric Other Production - ARO	(980,719,365.60)	(30,890,261.70)	6,916,995.14	(6,122,148.92)	-	-	-	(49,320.83)	(1,010,864,101.91)
Electric Steam Production	(2,382,766.82)	(95,406.80)	-	(2,407.93)	-	-	-	-	(2,480,581.55)
Electric Steam Production - ARO	(120,367,314.51)	(2,292,830.69)	654,965.72	6,958,922.11	-	-	-	(22,205.94)	(115,068,463.31)
Electric Transmission	(3,029.54)	(37.76)	-	2,407.93	-	-	-	-	(659.37)
Electric Transmission - ARO	(115,555,571.04)	(5,871,200.09)	213,694.91	-	-	-	-	-	(121,213,076.22)
Gas Distribution	(20,060.41)	(186.69)	-	-	-	-	-	-	(20,247.10)
Gas Distribution - ARO	(6,241,137.60)	(267,561.14)	189,622.59	-	-	-	-	-	(6,319,076.15)
Gas General Plant	(34,022,860.14)	(544,026.13)	2,238,297.72	-	-	-	-	-	(32,328,588.55)
Gas Storage	(409,284.68)	(5,148.36)	-	-	-	-	-	-	(414,433.04)
Gas Storage - ARO	-	-	-	-	-	-	-	-	-
Gas Stored Nonrecoverable	(9,358,516.52)	(30,307.27)	1,280.97	-	-	-	-	-	(9,387,542.82)
Gas Transmission	(63,360.36)	-	-	-	-	-	-	-	(63,360.36)
Non Utility Property	(1,663,996,559.70)	(62,059,761.75)	19,123,837.03	(34.23)	-	-	-	(71,526.77)	(1,707,004,045.42)
Cost of Removal									
Common General Plant	(469,247.42)	(142,046.30)	-	-	-	94,716.30	-	-	(516,577.42)
Electric Distribution	(157,755,648.48)	(3,660,041.72)	-	(0.30)	-	871,643.77	-	-	(160,544,046.73)
Electric General Plant	3,866.64	-	-	-	-	-	-	-	3,866.64
Electric Hydro Production	814,671.45	(20,855.61)	-	(823.08)	-	3,619.91	-	-	796,612.67
Electric Other Production	(2,039,438.56)	(174,160.19)	-	(705.46)	-	202,327.93	-	-	(2,011,976.28)
Electric Steam Production	(75,412,706.30)	(8,244,705.37)	-	(3,135.35)	-	2,608,095.97	-	-	(81,052,451.05)
Electric Steam Production - ARO	(23,681,680.84)	(693,445.28)	-	4,664.19	-	993,780.81	-	-	(23,376,681.12)
Electric Transmission	(58,299,094.86)	(1,868,067.36)	-	-	-	67,961.76	-	-	(60,099,200.46)
Gas Distribution	(0.02)	-	-	-	-	-	-	-	(0.02)
Gas General Plant	(403,035.01)	(66,274.12)	-	-	-	48,597.81	-	-	(420,711.32)
Gas Storage	-	-	-	-	-	-	-	-	-
Gas Stored Nonrecoverable	(3,061,349.14)	(14,452.63)	-	-	-	47,271.66	-	-	(3,028,530.11)
Gas Transmission	-	-	-	-	-	-	-	-	-
Non Utility Property	(320,303,662.54)	(14,884,048.58)	-	-	-	4,938,015.92	-	-	(330,249,695.20)

August 21, 2009

Louisville Gas and Electric Company
Summary of Utility Plant - Reserve for Depreciation of Utility Plant
 July 31, 2009

	Beginning Balance	Accruals	Retirements	Transfers/Adjustments	RWIP Transfers Out	Cost of Removal	Salvage	Other Credits	Ending Balance
Salvage									
Common General Plant	301,592.06	5,840.70	-	-	-	-	-	-	307,432.76
Electric Distribution	15,611,295.13	716,152.37	-	-	-	-	-	-	16,327,447.50
Electric General Plant	132,019.58	3,054.52	-	-	-	-	-	-	135,074.10
Electric Hydro Production	433,316.55	-	-	-	-	-	(56,678.38)	-	376,638.17
Electric Other Production	2,644.83	-	-	-	-	-	(21,643.50)	-	(18,998.67)
Electric Steam Production	18,799,865.84	1,138,875.10	-	-	-	-	(430,232.93)	-	19,508,508.01
Electric Transmission	5,876,238.22	136,448.83	-	-	-	-	-	-	6,012,687.05
Gas Distribution	3,219,085.53	113,491.28	-	-	-	-	-	-	3,332,576.81
Gas General Plant	220,201.71	2,862.28	-	-	-	-	-	-	223,063.99
Gas Storage	236,769.87	8,938.22	-	-	-	-	-	-	245,708.09
Gas Stored Nonrecoverable	-	-	-	-	-	-	-	-	-
Gas Transmission	208,728.61	2,566.46	-	-	-	-	-	-	211,295.07
Non Utility Property	-	-	-	-	-	-	-	-	-
	<u>45,041,757.93</u>	<u>2,128,229.76</u>	-	-	-	-	<u>(508,554.81)</u>	-	<u>46,661,432.88</u>
Total Reserves									
Common	(68,347,826.81)	(7,440,505.80)	2,056,165.71	-	-	94,716.30	-	-	(73,637,450.60)
Electric	(1,647,424,513.80)	(58,835,709.22)	14,424,775.13	(34.23)	-	4,679,468.39	(508,554.81)	(71,526.77)	(1,687,736,095.31)
Gas	(223,486,123.70)	(8,539,365.55)	2,642,896.19	-	-	163,831.23	-	-	(229,218,761.83)
	<u>(1,939,258,464.31)</u>	<u>(74,815,580.57)</u>	<u>19,123,837.03</u>	<u>(34.23)</u>	-	<u>4,938,015.92</u>	<u>(508,554.81)</u>	<u>(71,526.77)</u>	<u>(1,990,592,307.74)</u>
Retirement Work in Progress									
Common	(9,092,255.82)	-	-	-	(94,716.30)	134,388.04	(41,610.76)	(70,400.00)	(9,164,594.84)
Electric	28,458,992.95	-	-	9,138.56	(4,099,386.81)	6,336,699.53	(267,992.31)	(399,944.09)	30,037,507.83
Gas	4,095,496.74	-	-	15,342.42	(163,831.23)	619,439.84	(949.55)	0.00	4,565,498.22
	<u>23,462,233.87</u>	-	-	<u>24,480.98</u>	<u>(4,357,934.34)</u>	<u>7,090,527.41</u>	<u>(310,552.62)</u>	<u>(470,344.09)</u>	<u>25,438,411.21</u>
YTD ACTIVITY	(1,915,796,230.44)	(74,815,580.57)	19,123,837.03	24,446.75	(4,357,934.34)	12,028,543.33	(819,107.43)	(541,870.86)	(1,965,153,896.53)
Amortization									
Common	(23,433,131.46)	(4,442,604.38)	12,842,571.29	-	-	-	-	-	(15,033,164.55)
Electric	(100.00)	-	-	-	-	-	-	-	(100.00)
Gas	(800.00)	-	-	-	-	-	-	-	(800.00)
AMORTIZATION TOTAL	(23,434,031.46)	(4,442,604.38)	12,842,571.29	-	-	-	-	-	(15,034,064.55)
Depreciation & Amortization Total	<u>(1,939,230,261.90)</u>	<u>(79,258,184.95)</u>	<u>31,966,408.32</u>	<u>24,446.75</u>	<u>(4,357,934.34)</u>	<u>12,028,543.33</u>	<u>(819,107.43)</u>	<u>(541,870.86)</u>	<u>(1,980,187,961.08)</u>
Depr & Amort - Nonutility for Balance Sheet									<u>(1,980,124,600.72)</u>
Utility Plant at Original Cost Less Reserve for Depreciation & Amortization (Excl nonutility)	<u>2,567,298,455.89</u>								<u>2,591,343,078.33</u>

LG&E Monthly Report to KPSC -- June 30, 2009

LOUISVILLE GAS AND ELECTRIC COMPANY

Financial Reports

June 30, 2009

Prepared by Regulatory Accounting and Reporting

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Financial and Operating Reports

Louisville Gas and Electric Company
June 30, 2009

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Louisville Gas and Electric Company
Comparative Statement of Income
June 30, 2009

	Current Month		
	This Year Amount	Last Year Amount	Increase or Decrease Amount %
Electric Operating Revenues.....	93,206,319.71	99,331,524.22	(6,125,204.51) (6.17)
Gas Operating Revenues.....	9,542,174.20	15,168,729.95	(5,626,555.75) (37.09)
Total Operating Revenues.....	102,748,493.91	114,500,254.17	(11,751,760.26) (10.26)
Fuel for Electric Generation.....	28,468,580.79	33,396,599.11	(4,928,018.32) (14.76)
Power Purchased.....	3,844,030.68	7,434,451.43	(3,590,420.75) (48.29)
Gas Supply Expenses.....	2,887,752.49	12,897,716.87	(10,009,964.38) (77.61)
Other Operation Expenses.....	17,288,784.52	17,139,161.02	149,623.50 0.87
Maintenance.....	9,039,270.39	6,900,651.69	2,138,618.70 30.99
Depreciation.....	10,745,070.07	10,174,909.05	570,161.02 5.60
Amortization Expense.....	802,207.08	497,563.12	304,643.96 61.23
Regulatory Credits.....	(178,600.62)	(171,827.38)	(6,773.24) (3.94)
Taxes			
Federal Income.....	4,826,457.61	762,498.42	4,063,959.19 532.98
State Income.....	1,330,167.23	311,388.04	1,018,779.19 327.17
Deferred Federal Income - Net.....	1,766,654.80	1,861,677.98	(95,023.18) (5.10)
Deferred State Income - Net.....	(424,015.38)	133,650.80	(557,666.18) (417.26)
Property and Other.....	2,175,439.42	1,636,017.19	539,422.23 32.97
Investment Tax Credit.....	912,336.47	2,275,000.00	(1,362,663.53) (59.90)
Amortization of Investment Tax Credit.....	(254,732.72)	(336,259.16)	81,526.44 24.25
Loss (Gain) from Disposition of Allowances.....	-	-	-
Accretion Expense.....	163,920.78	157,048.86	6,871.92 4.38
Total Operating Expenses.....	83,393,323.61	95,070,247.04	(11,676,923.43) (12.28)
Net Operating Income.....	19,355,170.30	19,430,007.13	(74,836.83) (0.39)
Other Income Less Deductions.....	712,397.21	(1,308,611.62)	2,021,008.83 154.44
Income Before Interest Charges.....	20,067,567.51	18,121,395.51	1,946,172.00 10.74
Interest on Long-term Debt.....	3,677,592.47	3,187,396.94	490,195.53 15.38
Amortization of Debt Expense - Net.....	124,232.69	121,237.83	2,994.86 2.47
Other Interest Expenses.....	225,419.60	495,921.58	(270,501.98) (54.55)
Total Interest Charges.....	4,027,244.76	3,804,556.35	222,688.41 5.85
Net Income.....	16,040,322.75	14,316,839.16	1,723,483.59 12.04

July 22, 2009

Louisville Gas and Electric Company
Comparative Statement of Income
June 30, 2009

	Year to Date		
	This Year Amount	Last Year Amount	Increase or Decrease Amount %
Electric Operating Revenues.....	460,972,954.96	464,355,547.74	(3,382,592.78) (0.73)
Gas Operating Revenues.....	246,496,742.20	249,981,905.79	(3,485,163.59) (1.39)
Total Operating Revenues.....	707,469,697.16	714,337,453.53	(6,867,756.37) (0.96)
Fuel for Electric Generation.....	173,346,776.53	160,568,399.88	12,778,376.65 7.96
Power Purchased.....	33,099,092.33	46,423,035.73	(13,323,943.40) (28.70)
Gas Supply Expenses.....	182,927,870.23	193,173,772.80	(10,245,902.57) (5.30)
Other Operation Expenses.....	107,560,181.44	97,708,677.64	9,851,503.80 10.08
Maintenance.....	86,408,174.22	50,752,899.41	35,655,274.81 70.25
Depreciation.....	63,756,442.72	59,780,967.90	3,975,474.82 6.65
Amortization Expense.....	3,690,308.83	2,751,371.75	938,937.08 34.13
Regulatory Credits.....	(1,117,956.60)	(1,019,208.61)	(98,747.99) (9.69)
Taxes			
Federal Income.....	1,162,047.92	13,789,650.28	(12,627,602.36) (91.57)
State Income.....	893,625.01	2,576,358.94	(1,682,733.93) (65.31)
Deferred Federal Income - Net.....	3,303,246.11	3,527,541.43	(224,295.32) (6.36)
Deferred State Income - Net.....	(724,228.25)	392,559.92	(1,116,788.17) (284.49)
Property and Other.....	13,418,823.81	12,202,138.50	1,216,685.31 9.97
Investment Tax Credit.....	1,824,672.98	3,575,000.00	(1,750,327.02) (48.96)
Amortization of Investment Tax Credit.....	(1,528,399.44)	(1,962,826.32)	434,426.88 22.13
Loss (Gain) from Disposition of Allowances.....	(66,274.06)	(456,254.88)	389,980.82 85.47
Accretion Expense.....	982,363.54	930,683.73	51,679.81 5.55
Total Operating Expenses.....	668,936,767.32	644,714,768.10	24,221,999.22 3.76
Net Operating Income.....	38,532,929.84	69,622,685.43	(31,089,755.59) (44.65)
Other Income Less Deductions.....	11,473,972.75	(1,714,162.45)	13,188,135.20 769.36
Income Before Interest Charges.....	50,006,902.59	67,908,522.98	(17,901,620.39) (26.36)
Interest on Long-term Debt.....	22,013,465.21	24,243,517.83	(2,230,052.62) (9.20)
Amortization of Debt Expense - Net.....	743,783.17	725,783.19	17,999.98 2.48
Other Interest Expenses.....	1,249,214.37	2,330,644.19	(1,081,429.82) (46.40)
Total Interest Charges.....	24,006,462.75	27,299,945.21	(3,293,482.46) (12.06)
Net Income.....	26,000,439.84	40,608,577.77	(14,608,137.93) (35.97)

July 22, 2009

Louisville Gas and Electric Company
Comparative Statement of Income
June 30, 2009

	Year Ended Current Month		
	This Year Amount	Last Year Amount	Increase or Decrease Amount %
Electric Operating Revenues.....	1,011,571,747.51	948,208,545.12	63,363,202.39 6.68
Gas Operating Revenues.....	454,879,929.49	399,665,868.67	55,214,060.82 13.82
Total Operating Revenues.....	<u>1,466,451,677.00</u>	<u>1,347,874,413.79</u>	<u>118,577,263.21</u> 8.80
Fuel for Electric Generation.....	357,315,111.10	322,350,045.62	34,965,065.48 10.85
Power Purchased.....	104,583,588.94	86,501,602.09	18,081,986.85 20.90
Gas Supply Expenses.....	342,904,731.41	298,429,117.60	44,475,613.81 14.90
Other Operation Expenses.....	203,919,292.96	185,604,927.47	18,314,365.49 9.87
Maintenance.....	130,181,119.37	94,843,052.14	35,338,067.23 37.26
Depreciation.....	125,327,378.97	119,978,314.07	5,349,064.90 4.46
Amortization Expense.....	6,819,338.82	5,757,492.51	1,061,846.31 18.44
Regulatory Credits.....	(2,165,360.24)	(1,997,370.31)	(167,989.93) (8.41)
Taxes			
Federal Income.....	27,415,807.32	27,985,622.42	(569,815.10) (2.04)
State Income.....	2,599,690.46	6,260,941.75	(3,661,251.29) (58.48)
Deferred Federal Income - Net.....	(2,489,411.63)	12,923,481.21	(15,412,892.84) (119.26)
Deferred State Income - Net.....	(3,610,283.81)	1,652,791.42	(5,263,075.23) (318.44)
Property and Other.....	25,173,757.66	22,346,378.57	2,827,379.09 12.65
Investment Tax Credit.....	6,370,700.98	7,354,626.00	(983,925.02) (13.38)
Amortization of Investment Tax Credit.....	(3,436,493.19)	(3,925,652.54)	489,159.35 12.46
Loss (Gain) from Disposition of Allowances.....	(66,274.06)	(456,254.88)	389,980.82 85.47
Accretion Expense.....	1,941,239.48	1,820,730.51	120,508.97 6.62
Total Operating Expenses.....	<u>1,322,783,934.54</u>	<u>1,187,429,845.65</u>	<u>135,354,088.89</u> 11.40
Net Operating Income.....	143,667,742.46	160,444,568.14	(16,776,825.68) (10.46)
Other Income Less Deductions.....	<u>(18,030,624.94)</u>	<u>(1,785,235.89)</u>	<u>(16,245,389.05)</u> (909.99)
Income Before Interest Charges.....	125,637,117.52	158,659,332.25	(33,022,214.73) (20.81)
Interest on Long-term Debt.....	40,880,318.81	46,563,994.61	(5,683,675.80) (12.21)
Amortization of Debt Expense - Net.....	1,603,626.25	1,447,563.95	156,062.30 10.78
Other Interest Expenses.....	7,561,029.40	5,306,213.02	2,254,816.38 42.49
Total Interest Charges.....	<u>50,044,974.46</u>	<u>53,317,771.58</u>	<u>(3,272,797.12)</u> (6.14)
Net Income.....	<u>75,592,143.06</u>	<u>105,341,560.67</u>	<u>(29,749,417.61)</u> (28.24)

July 22, 2009

Louisville Gas and Electric Company
Analysis of Retained Earnings
June 30, 2009

	Current Month		Year to Date		Year Ended Current Month	
	This Year	Last Year	This Year	Last Year	This Year	Last Year
Balance at Beginning of Period.....	715,121,788.28	676,253,128.81	740,161,671.19	689,961,390.20	690,569,967.97	625,284,403.30
Add:						
Net Income for Period.....	16,040,322.75	14,316,839.16	26,000,439.84	40,608,577.77	75,592,143.06	105,341,560.67
FIN 48 Adjustment.....	-	-	-	-	-	(55,996.00)
Deduct:						
Adjustment to Retained Earnings.....	-	-	-	-	-	-
Common Dividends						
Common Stock Without Par Value.....	45,000,000.00	-	80,000,000.00	40,000,000.00	80,000,000.00	40,000,000.00
Balance at End of Period.....	<u>686,162,111.03</u>	<u>690,569,967.97</u>	<u>686,162,111.03</u>	<u>690,569,967.97</u>	<u>686,162,111.03</u>	<u>690,569,967.97</u>

July 22, 2009

Louisville Gas and Electric Company
Comparative Balance Sheets as of June 30, 2009 and 2008

	This Year	Last Year		This Year	Last Year
Assets and Other Debits			Liabilities and Other Credits		
Utility Plant			Capitalization		
Utility Plant at Original Cost.....	4,568,154,866.00	4,402,058,032.16	Common Stock.....	425,170,424.09	425,170,424.09
Less Reserves for Depreciation and Amortization....	1,979,966,987.30	1,909,947,086.43	Common Stock Expense.....	(835,888.64)	(835,888.64)
Total.....	2,588,187,878.70	2,492,110,945.73	Paid-In Capital.....	83,530,392.00	60,000,000.00
Investments			Other Comprehensive Income.....	(9,919,801.50)	(11,429,904.17)
Ohio Valley Electric Corporation.....	594,286.00	594,286.00	Retained Earnings.....	686,162,111.03	690,569,967.97
Nonutility Property-Less Reserve.....	11,879.20	11,879.20	Total Common Equity.....	1,184,107,236.98	1,163,474,599.25
Special Funds.....	14,691,070.39	12,069,424.38	Pollution Control Bonds - Net of Reacquired Bonds	411,104,000.00	443,104,000.00
Other.....	-	14,921,226.00	LT Notes Payable to Associated Companies.....	485,000,000.00	410,000,000.00
Total.....	15,297,235.59	27,596,815.58	Total Long-term Debt.....	896,104,000.00	853,104,000.00
Current and Accrued Assets			Total Capitalization.....	2,080,211,236.98	2,016,578,599.25
Cash.....	3,488,154.02	3,144,398.81	Current and Accrued Liabilities		
Special Deposits.....	1,084,460.57	10,643,840.96	ST Notes Payable to Associated Companies.....	152,601,400.00	188,104,200.00
Temporary Cash Investments.....	119.71	36,445.34	Accounts Payable.....	68,555,847.47	112,451,727.42
Accounts Receivable-Less Reserve.....	132,671,907.49	152,731,181.00	Accounts Payable to Associated Companies.....	25,035,271.14	27,105,123.46
Accounts Receivable from Associated Companies.....	136,159.57	10,832,750.25	Customer Deposits.....	22,178,266.53	20,420,923.49
Materials and Supplies-At Average Cost			Taxes Accrued.....	10,939,096.47	(1,722,458.02)
Fuel.....	55,161,389.37	42,141,338.41	Interest Accrued.....	9,307,219.00	8,018,117.82
Plant Materials and Operating Supplies.....	28,902,591.29	26,806,823.72	ST Obligations Under Capital Leases.....	-	224,850.34
Stores Expense.....	4,079,147.73	4,451,862.32	Miscellaneous Current and Accrued Liabilities.....	22,095,606.46	14,457,869.05
Gas Stored Underground.....	28,695,709.37	40,206,003.46	Total.....	310,712,707.07	369,060,353.56
Allowance Inventory.....	5,126.82	10,216.39	Deferred Credits and Other		
Prepayments.....	3,321,882.39	2,827,556.04	Accumulated Deferred Income Taxes.....	413,944,625.65	403,725,012.44
Miscellaneous Current and Accrued Assets.....	3,167,867.78	-	Investment Tax Credit.....	50,645,343.67	47,711,135.88
Total.....	260,714,516.11	293,832,416.70	Regulatory Liabilities.....	94,928,567.44	53,738,137.28
Deferred Debits and Other			Customer Advances for Construction.....	9,925,766.43	19,495,157.68
Unamortized Debt Expense.....	3,947,101.90	7,134,301.25	Asset Retirement Obligations.....	33,146,283.03	30,462,908.99
Unamortized Loss on Bonds.....	23,747,761.18	21,235,161.93	Other Deferred Credits.....	28,624,531.55	26,862,724.40
Accumulated Deferred Income Taxes.....	57,912,439.12	49,904,789.36	Miscellaneous Long-term Liabilities.....	37,144,950.84	26,752,832.77
Deferred Regulatory Assets.....	325,399,546.57	150,735,086.22	Accum Provision for Postretirement Benefits.....	217,289,473.46	95,382,814.80
Other Deferred Debits.....	1,367,006.95	47,220,160.28	Total.....	885,649,542.07	704,130,724.24
Total.....	412,373,855.72	276,229,499.04	Total Liabilities and Other Credits.....	3,276,573,486.12	3,089,769,677.05
Total Assets and Other Debits.....	3,276,573,486.12	3,089,769,677.05			

July 22, 2009

Louisville Gas and Electric Company
Statement of Capitalization and Short-term Debt
June 30, 2009

	Authorized Shares	Issued and Outstanding Shares	Amount		Capital and ST Debt	Percent of Total Capital
Common Equity						
Common Stock - Without Par.....	75,000,000	21,294,223	425,170,424.09			
Common Stock Expense.....			(835,888.64)			
Paid-In Capital.....			83,530,392.00			
Other Comprehensive Income.....			(9,919,801.50)			
Retained Earnings.....			686,162,111.03			
Total Common Equity.....			1,184,107,236.98		53.03	56.92
Long-term Debt						
Pollution Control Bonds						
Jefferson County 2000 Series A due 05/01/27 5.375%.....			25,000,000.00			
Trimble County 2000 Series A due 08/01/30 Var%.....			83,335,000.00			
Jefferson County 2001 Series A due 09/01/27 Var%.....			10,104,000.00			
Jefferson County 2001 Series A due 09/01/26 Var%.....			22,500,000.00			
Trimble County 2001 Series A due 09/01/26 Var%.....			27,500,000.00			
Jefferson County 2001 Series B due 11/01/27 Var%.....			35,000,000.00			
Trimble County 2001 Series B due 11/01/27 Var%.....			35,000,000.00			
Trimble County 2002 Series A due 10/01/32 Var%.....			41,665,000.00			
Louisville Metro 2003 Series A due 10/01/33 Var%.....			128,000,000.00			
Louisville Metro 2005 Series A due 02/01/35 5.750%.....			40,000,000.00			
Louisville Metro 2007 Series A due 06/01/33 5.625%.....			31,000,000.00			
Louisville Metro 2007 Series B due 06/01/33 Var%.....			35,200,000.00			
Trimble County 2007 Series A due 06/01/33 4.600%.....			60,000,000.00			
			574,304,000.00		25.72	27.61
Less Reacquired Bonds						
Louisville Metro 2003 Series A due 10/01/33 Var%.....			(128,000,000.00)			
Louisville Metro 2007 Series B due 06/01/33 Var%.....			(35,200,000.00)			
			(163,200,000.00)		(7.31)	(7.85)
Total Pollution Control Bonds - Net of Reacquired Bonds.....			411,104,000.00		18.41	19.76
Long-term Notes Payable to Associated Companies.....			485,000,000.00		21.72	23.32
Total Capitalization.....			2,080,211,236.98		93.16	100.00
Short-term Notes Payable to Associated Companies.....			152,601,400.00		6.84	
Total Capitalization and Short-term Debt.....			2,232,812,636.98		100.00	

Louisville Gas and Electric Company
Summary Trial Balance
June 30, 2009

<u>Account - Subsidiary Account</u>	<u>Balance Subsidiary Account</u>	<u>Balance as Shown on Balance Sheets</u>
Utility Plant		
At Original Cost.....	4,568,154,866.00	4,568,154,866.00
Reserves for Depreciation and Amortization.....		(1,979,966,987.30)
Depreciation of Plant		
Electric.....	(1,652,720,125.62)	
Gas.....	(224,299,121.68)	
Common.....	(81,825,756.31)	
Amortization of Plant		
Common.....	(21,121,083.69)	
Gas.....	(800.00)	
Electric.....	(100.00)	
Investments.....		15,297,235.59
Special Funds.....	14,691,070.39	
Ohio Valley Electric Corporation.....	594,286.00	
Nonutility Property.....	75,239.56	
Nonutility Property Reserve.....	(63,360.36)	
Cash.....	3,488,154.02	3,488,154.02
Special Deposits.....		1,084,460.57
Other Special Deposits.....	1,084,460.57	
Temporary Cash Investments.....	119.71	119.71
Accounts Receivable - Less Reserve.....		132,671,907.49
Customers - Active.....	70,814,321.73	
Unbilled Revenues.....	50,979,528.90	
IMPA.....	2,288,988.19	
IMEA.....	2,254,858.07	
Electricity Swaps.....	1,437,560.85	
Sundry Accounts Receivable.....	997,960.97	
Wholesale Sales.....	955,676.98	
Damage Claims.....	447,591.99	
Rents Receivable.....	345,204.77	
Transmission Sales.....	188,371.55	
Employee Computer Loans.....	75,089.25	
Interest and Dividends Receivable.....	34,920.47	
Working Funds.....	20,630.00	
Reserves for Uncollectible Accounts		
Utility Customers		
Accrual.....	(1,101,300.88)	
Reserve.....	(954,245.00)	
Recoveries.....	(846,505.51)	
A/R Miscellaneous.....	(642,951.00)	
Charged Off.....	1,947,989.39	
Other.....	3,428,216.77	
Accounts Receivable from Associated Companies.....		136,159.57
E.ON US Services/Kentucky Utilities Company.....	136,159.57	
Fuel.....		55,161,389.37
Coal 1,369,957.38 Tons @ \$39.93; MMBtu 31,223,532.91 @ 175.22¢.....	54,708,731.52	
Fuel Oil 243,563.00 Gallons @ 167.20¢.....	407,233.21	
Gas Pipeline 5,100.00 Mcf @ \$8.91.....	45,424.64	
Plant Materials and Operating Supplies.....		28,902,591.29
Regular Materials and Supplies.....	28,525,802.84	
Limestone 46,382.91 Tons @ \$ 8.12.....	376,788.45	

July 22, 2009

Louisville Gas and Electric Company
Summary Trial Balance
June 30, 2009

<u>Account - Subsidiary Account</u>	<u>Balance Subsidiary Account</u>	<u>Balance as Shown on Balance Sheets</u>
Stores Expense Undistributed.....	4,079,147.73	4,079,147.73
Gas Stored Underground - Current.....		28,695,709.37
Gas St. Underground* 3,798,508.00 Mcf (14.73 psia) @ \$ 7.55.....	28,695,709.37	
Allowance Inventory.....	5,126.82	5,126.82
Prepayments.....		3,321,882.39
Insurance.....	1,849,511.34	
Rights of Way.....	253,333.37	
Franchises.....	160,743.10	
Risk Management and Workers Compensation.....	90,000.00	
Vehicle License.....	38,826.13	
Other.....	929,468.45	
Miscellaneous Current Assets.....		3,167,867.78
Derivative Asset - Non-Hedging.....	3,167,867.78	
Unamortized Debt Expense.....		3,947,101.90
Trimble County 2000 Series A due 08/01/30 Var%.....	777,252.08	
Jefferson County 2001 Series A due 09/01/27 Var%.....	350,051.06	
Jefferson County 2001 Series B due 11/01/27 Var%.....	190,584.32	
Trimble County 2001 Series A due 09/01/26 Var%.....	174,438.14	
Jefferson County 2001 Series A due 09/01/26 Var%.....	160,434.30	
Trimble County 2001 Series B due 11/01/27 Var%.....	190,615.58	
Trimble County 2002 Series A due 10/01/32 Var%.....	828,155.98	
Trimble County 2007 Series A due 06/01/33 4.600%.....	1,089,358.76	
Short-term portion.....	186,211.68	
Unamortized Loss on Bonds.....	23,747,761.18	23,747,761.18
Accumulated Deferred Income Taxes.....		57,912,439.12
Federal		
Electric.....	44,802,660.93	
Gas.....	4,218,306.99	
State		
Electric.....	8,122,175.10	
Gas.....	769,296.10	
Regulatory Assets.....		325,399,546.57
Pension and Postretirement Benefits.....	249,597,539.00	
Asset Retirement Obligations		
Electric.....	21,267,193.28	
Gas.....	8,309,331.30	
Common.....	25,467.68	
2008 Wind Storm.....	23,540,332.79	
MISO Exit Fee.....	6,348,668.82	
Environmental Cost Recovery.....	5,559,872.00	
Gas Supply Clause/PBR.....	4,299,458.92	
Fuel Adjustment Clause.....	2,404,000.00	
ECR Ash Hauling.....	1,714,711.65	
Rate Case Expenses.....	881,232.90	
EKPC FERC Transmission Costs.....	791,338.00	
KCCS Funding.....	660,400.23	
Other Deferred Debits.....	1,367,006.95	1,367,006.95
Total Assets and Other Debits.....	<u>3,276,573,486.12</u>	<u>3,276,573,486.12</u>

* Excludes:	\$	Mcf
Non-recoverable Base Gas	9,648,855.00	7,880,000
Recoverable Base Gas	<u>2,139,990.00</u>	<u>2,930,000</u>
	11,788,845.00	10,810,000

Louisville Gas and Electric Company
Summary Trial Balance
June 30, 2009

<u>Account - Subsidiary Account</u>	<u>Balance Subsidiary Account</u>	<u>Balance as Shown on Balance Sheets</u>
Common Equity.....		1,184,107,236.98
Retained Earnings.....	686,162,111.03	
Common Stock.....	425,170,424.09	
Paid-In Capital.....	83,530,392.00	
Common Stock Expense.....	(835,888.64)	
Other Comprehensive Income.....	(9,919,801.50)	
Bonds.....	411,104,000.00	411,104,000.00
Long-term Notes Payable to Associated Companies.....	485,000,000.00	485,000,000.00
Short-term Notes Payable to Associated Companies.....	152,601,400.00	152,601,400.00
Accounts Payable.....		68,555,847.47
Regular.....	65,335,515.06	
Salaries and Wages Accrued.....	3,475,835.63	
Employee Withholdings Payable.....	(255,503.22)	
Accounts Payable to Associated Companies.....		25,035,271.14
E.ON US Services/Kentucky Utilities Company.....	25,035,271.14	
Customers' Deposits.....	22,178,266.53	22,178,266.53
Taxes Accrued.....	10,939,096.47	10,939,096.47
Interest Accrued.....		9,307,219.00
Jefferson County 2000 Series A due 05/01/27 5.375%.....	223,958.41	
Trimble County 2000 Series A due 08/01/30 Var%.....	45,371.30	
Jefferson County 2001 Series A due 09/01/27 Var%.....	117.99	
Jefferson County 2001 Series A due 09/01/26 Var%.....	53,013.73	
Trimble County 2001 Series A due 09/01/26 Var%.....	64,794.50	
Jefferson County 2001 Series B due 11/01/27 Var%.....	65,972.58	
Trimble County 2001 Series B due 11/01/27 Var%.....	65,972.89	
Trimble County 2002 Series A due 10/01/32 Var%.....	12,049.71	
Louisville Metro 2003 Series A 11/20/03 due 10/01/33 Var%.....	(0.04)	
Louisville Metro 2005 Series A due 02/01/35 5.750%.....	951,944.53	
Louisville Metro 2007 Series A due 06/01/33 5.625%.....	145,312.55	
Louisville Metro 2007 Series B 04/26/07 due 06/01/33 Var%.....	0.01	
Trimble County 2007 Series A due 06/01/33 4.600%.....	230,000.00	
Fidelia.....	6,341,900.56	
Interest Rate Swaps.....	633,043.51	
Customers' Deposits.....	332,946.04	
Other.....	140,820.73	
Miscellaneous Current and Accrued Liabilities.....		22,095,606.46
Vacation Pay Accrued.....	5,489,700.72	
Customer Overpayments.....	4,643,410.79	
No-Notice Gas Payable.....	3,978,213.99	
Postretirement Benefits - Current.....	3,411,968.00	
Tax Collections Payable.....	1,246,444.22	
Derivative Liabilities - Non-Hedging.....	234,348.37	
Other.....	3,091,520.37	

July 22, 2009

Louisville Gas and Electric Company
Summary Trial Balance
June 30, 2009

<u>Account - Subsidiary Account</u>	<u>Balance Subsidiary Account</u>	<u>Balance as Shown on Balance Sheets</u>
Accumulated Deferred Income Taxes.....		413,944,625.65
Federal		
Electric.....	309,505,690.19	
Gas.....	46,935,796.45	
State		
Electric.....	50,620,692.63	
Gas.....	6,882,446.38	
Investment Tax Credit.....		50,645,343.67
Job Development Credit		
Electric.....	27,807,370.52	
Gas.....	912,646.17	
Advanced Coal Credit.....	21,925,326.98	
Regulatory Liabilities.....		94,928,567.44
Deferred Taxes		
Federal		
Electric.....	21,982,643.19	
Gas.....	1,348,806.11	
State		
Electric.....	17,062,262.70	
Gas.....	2,548,653.16	
Gas Supply Clause/PBR.....	36,008,804.14	
DSM Cost Recovery.....	9,730,887.78	
MISO Schedule 10 Charges.....	2,958,654.36	
Asset Retirement Obligations		
Gas.....	2,608,434.01	
Electric.....	679,421.99	
Customers' Advances for Construction.....		9,925,766.43
Line Extensions		
Gas.....	7,851,422.30	
Electric.....	1,040,539.29	
Customer Advances - Museum Plaza.....	1,033,804.84	
Asset Retirement Obligations.....		33,146,283.03
Electric.....	24,670,982.15	
Gas.....	8,447,314.81	
Common.....	27,986.07	
Other Deferred Credits.....	28,624,531.55	28,624,531.55
Miscellaneous Long-term Liabilities.....		37,144,950.84
Long-term Derivative Liabilities - SFAS 133.....	31,672,445.00	
Workers' Compensation.....	5,472,505.84	
Accumulated Provision for Benefits.....		217,289,473.46
Pension Payable.....	135,235,667.00	
Postretirement Benefits - SFAS 106.....	78,478,074.46	
Post Employment Benefits Payable.....	3,747,857.00	
Post Employment Medicare Subsidy.....	(172,125.00)	
Total Liabilities and Other Credits.....	3,276,573,486.12	3,276,573,486.12

July 22, 2009

Louisville Gas and Electric Company
Statement of Cash Flows
June 30, 2009

	Year to Date	
	2009	2008
Cash Flows from Operating Activities		
Net income.....	26,000,439.84	40,608,577.77
Items not requiring (providing) cash currently:		
Depreciation.....	63,756,442.72	59,780,967.90
Amortization.....	3,690,308.83	2,751,371.75
Deferred income taxes - net.....	2,579,017.86	7,863,811.42
Investment tax credit - net.....	296,273.54	1,612,173.68
Other.....	(168,882.49)	3,935,535.26
Change in receivables.....	71,309,491.19	31,763,138.82
Change in inventory.....	78,043,378.68	44,500,022.82
Change in allowance inventory.....	833.39	1,243.08
Change in payables and accrued expenses.....	(39,098,306.92)	4,271,107.23
Change in regulatory assets.....	(8,159,869.74)	286,963.06
Change in regulatory liabilities.....	38,662,336.28	(1,377,400.34)
Change in other deferred debits.....	39,991,677.70	(12,407,808.92)
Change in other deferred credits.....	(15,027,484.90)	(13,999,529.01)
Other.....	(19,548,866.89)	(4,920,913.89)
Gain on disposal of assets.....	(24,480.98)	-
Net cash provided (used) by operating activities.....	<u>242,302,308.11</u>	<u>164,669,260.63</u>
Cash Flows from Investing Activities		
Gross additions to utility plant - construction expenditures.....	(84,663,560.90)	(87,226,719.79)
Gross additions to common utility plant - construction expenditures.....	(7,137,262.88)	(17,135,077.97)
Change in restricted cash.....	-	125,457.85
Change in long-term investments.....	-	-
Change in other special funds.....	-	-
Change in non-hedging derivatives.....	(1,715,351.02)	385,022.65
Proceeds received from sales of property.....	24,480.98	-
Net cash provided (used) by investing activities.....	<u>(93,491,693.82)</u>	<u>(103,851,317.26)</u>
Cash Flows from Financing Activities		
Proceeds from issuance of long-term debt.....	(212,378.93)	(96,885.28)
Net change in short-term debt.....	(69,397,800.00)	109,863,000.00
Payments for retirement of long-term debt.....	-	-
Payments for reacquisition of long-term debt.....	-	(131,200,000.00)
Reissuance of reacquired long-term debt.....	-	-
Retirement of reacquired long-term debt.....	-	-
Net change in short-term capital lease obligations.....	(23,650.00)	(180,587.35)
Net change in long-term capital lease obligations.....	-	(23,649.00)
Net change in restricted cash.....	-	(347,396.47)
Contributed capital.....	-	-
Dividends on common stock.....	(80,000,000.00)	(40,000,000.00)
Net cash provided (used) by financing activities.....	<u>(149,633,828.93)</u>	<u>(61,985,518.10)</u>
Net Increase (Decrease) in Cash and Cash Equivalents.....	(823,214.64)	(1,167,574.73)
Cash and Cash Equivalents at Beginning of Period.....	<u>4,311,488.37</u>	<u>4,348,418.88</u>
Cash and Cash Equivalents at End of Period.....	<u>3,488,273.73</u>	<u>3,180,844.15</u>

July 22, 2009

Louisville Gas and Electric Company
Analysis of Interest Charges
June 30, 2009

	Current Month		Year to Date		Year Ended Current Month	
	This Year	Last Year	This Year	Last Year	This Year	Last Year
Interest on Long-term Debt						
Loan Agreement - Pollution Control Bonds						
Jefferson County 2000 Series A due 05/01/27 5.375%.....	111,979.17	(53,893.43)	671,875.02	539,670.12	806,252.09	1,018,489.57
Trimble County 2000 Series A due 08/01/30 Var%.....	46,575.01	194,827.97	154,679.04	1,457,327.76	1,299,489.00	3,302,684.43
Jefferson County 2001 Series A due 09/01/27 Var%.....	4,069.68	24,387.13	24,705.99	168,083.98	145,229.31	380,910.74
Jefferson County 2001 Series A due 09/01/26 Var%.....	18,493.15	36,885.25	140,817.50	317,640.94	348,427.98	732,235.61
Trimble County 2001 Series A due 09/01/26 Var%.....	22,602.74	45,081.96	172,110.28	388,227.77	425,856.42	894,954.56
Jefferson County 2001 Series B due 11/01/27 Var%.....	23,013.70	60,245.91	184,622.83	501,950.80	504,705.56	1,151,266.44
Trimble County 2001 Series B due 11/01/27 Var%.....	23,013.70	60,245.91	184,622.83	501,950.80	504,705.56	1,148,677.41
Trimble County 2002 Series A due 10/01/32 Var%.....	13,081.67	118,950.16	116,333.26	835,914.91	731,637.66	1,686,942.54
Louisville Metro 2003 Series A due 10/01/33 Var%.....	(5,409.06)	619,946.67	(32,454.36)	3,403,964.42	(557,353.47)	5,841,706.63
Louisville Metro 2005 Series A due 02/01/35 5.750%.....	191,666.67	(159,158.49)	1,150,000.01	495,511.11	1,380,000.02	1,232,177.78
Louisville Metro 2007 Series A due 06/01/33 5.625%.....	145,312.50	(113,744.84)	871,875.00	496,799.20	1,046,250.02	1,082,139.48
Louisville Metro 2007 Series B due 06/01/33 Var%.....	-	(114,988.84)	(0.03)	568,520.74	(0.03)	1,231,229.20
Trimble County 2007 Series A due 06/01/33 4.600%.....	230,000.00	230,000.00	1,380,000.02	1,390,603.33	2,760,000.02	2,770,603.37
Interest Rate Swaps.....	633,043.52	472,304.81	3,673,377.70	2,307,170.23	6,161,350.33	3,117,225.53
Notes/Debentures.....	-	(54,468.22)	-	(54,468.22)	54,468.22	206,279.19
Fidelity.....	2,220,150.02	1,820,774.99	13,320,900.12	10,924,649.94	25,269,300.12	20,766,472.13
Total.....	3,677,592.47	3,187,396.94	22,013,465.21	24,243,517.83	40,880,318.81	46,563,994.61
Amortization of Debt Expense - Net						
Amortization of Debt Expense.....	15,517.65	25,402.30	92,756.87	177,194.38	195,216.52	378,845.62
Amortization of Loss on Recquired Debt.....	108,715.04	95,835.53	651,026.30	548,588.81	1,408,409.73	1,068,718.33
Total.....	124,232.69	121,237.83	743,783.17	725,783.19	1,603,626.25	1,447,563.95
Other Interest Charges						
Customers' Deposits.....	103,709.69	89,111.88	565,537.60	516,236.88	1,128,695.66	1,015,242.02
Other Tax Deficiencies.....	-	1,112.00	-	2,223.00	(4,333.00)	(655.41)
Gas Refunds.....	-	-	-	-	-	(406.92)
Interest on DSM Cost Recovery.....	5,236.31	-	40,657.43	-	82,336.52	-
Interest on Debt to Associated Companies.....	29,744.71	372,554.70	474,620.03	1,728,890.32	4,976,806.04	4,208,739.34
Other Interest Expense.....	86,728.89	33,143.00	168,399.31	83,293.99	1,377,524.18	83,293.99
Total.....	225,419.60	495,921.58	1,249,214.37	2,330,644.19	7,561,029.40	5,306,213.02
Total Interest.....	4,027,244.76	3,804,556.35	24,006,462.75	27,299,945.21	50,044,974.46	53,317,771.58

July 22, 2009

Louisville Gas and Electric Company
Analysis of Taxes Charged and Accrued
June 30, 2009

Kind of Taxes	Current Month		Year To Date	
	This Year	Last Year	This Year	Last Year
Taxes Charged to Accounts 408.1 and 409.1				
Property Taxes.....	1,456,758.89	1,352,184.77	7,381,767.63	6,760,923.85
Unemployment.....	7,089.36	10,921.05	102,867.58	81,871.71
FICA.....	566,242.41	694,041.06	2,950,818.13	2,803,732.30
Public Service Commission Fee.....	157,536.02	161,615.66	787,680.10	808,078.30
Federal Income.....	(153,383.89)	585,127.35	(3,664,409.69)	13,027,151.86
State Income.....	(27,972.74)	276,474.60	(436,542.22)	2,264,970.90
Miscellaneous.....	-	7,011.64	20,250.95	111,515.15
Total Charged to Operating Expense.....	2,006,270.05	3,087,376.13	7,142,432.48	25,858,244.07
Taxes Charged to Other Accounts.....	1,633,236.70	208,625.67	7,355,066.72	6,958,828.35
Taxes Accrued on Intercompany Accounts.....	(215,497.08)	(187,993.97)	(1,058,602.76)	(907,015.99)
Total Taxes Charged.....	3,424,009.67	3,108,007.83	13,438,896.44	31,910,056.43

Analysis of Taxes Accrued - Account 236

Kind of Taxes	Taxes Accrued	Accruals	Payments	Taxes Accrued
	At Beginning Of Year	To Date This Year	To Date This Year	At End Of Month
Property Taxes.....	9,963,700.60	7,483,264.00	9,756,515.77	7,690,448.83
Unemployment.....	68,978.84	67,741.09	136,215.89	504.04
FICA.....	698,416.45	2,519,309.04	2,843,009.17	374,716.32
Federal Income.....	5,330,534.78	4,670,607.82	8,389,725.90	1,611,416.70
State Income.....	1,741,239.63	(2,971,714.54)	(131,591.00)	(1,098,883.91)
Kentucky Sales and Use Tax.....	578,874.39	1,571,550.18	1,680,635.07	469,789.50
Miscellaneous.....	-	98,138.85	77,172.50	20,966.35
Totals.....	18,381,744.69	13,438,896.44	22,751,683.30	9,068,957.83

July 22, 2009

Louisville Gas and Electric Company
 Summary of Utility Plant
 June 30, 2009

	Beginning Balance	Additions	Retirements	Transfers/ Adjustments	Net Additions	Ending Balance
101 Utility Plant In Service						
Common						
Common General Plant	156,628,323.83	7,447,190.46	(1,835,575.40)	-	5,611,615.06	162,239,938.89
Common Intangible Plant	30,504,727.59	42,931,707.88	(6,002,356.60)	-	36,929,351.28	67,434,078.87
	187,133,051.42	50,378,898.34	(7,837,932.00)	-	42,540,966.34	229,674,017.76
Electric						
Electric Distribution	768,525,773.32	4,499,166.44	(435,736.04)	18,468.18	4,081,898.58	774,607,671.90
Electric General Plant	16,739,305.40	282,874.40	(211,919.75)	-	70,954.65	16,810,260.05
Electric Hydro Production	40,692,754.42	112,177.32	(1,371.95)	743,189.41	853,994.78	41,546,749.20
Electric Intangible Plant	2,340.29	-	-	-	-	2,340.29
Electric Other Production	226,677,788.60	6,039,006.65	(4,901,199.73)	3,381,620.44	4,519,427.36	231,197,215.96
Electric Steam Production	1,957,945,552.56	16,331,282.16	(5,275,588.06)	15,422,227.79	26,477,921.89	1,984,421,474.45
Electric Transmission	256,087,174.79	4,731,550.00	(639,096.63)	(16,688,547.82)	(12,596,094.45)	243,491,080.34
	3,266,670,689.38	31,996,056.97	(11,464,912.16)	2,876,958.00	23,408,102.81	3,290,078,792.19
Gas						
Gas Distribution	473,727,554.77	658,481.35	(88,674.61)	-	569,806.74	474,297,361.51
Gas General Plant	9,038,472.86	109,197.36	(189,622.59)	-	(80,425.23)	8,958,047.63
Gas Intangible Plant	1,187.49	-	-	-	-	1,187.49
Gas Storage	62,441,928.04	1,565,332.05	(1,790,807.94)	-	(225,475.89)	62,216,452.15
Gas Transmission	12,901,908.09	81,935.53	(544.64)	-	81,390.89	12,983,298.98
	538,111,051.25	2,414,946.29	(2,069,649.78)	-	345,296.51	538,456,347.76
Total 101 Accounts	4,011,914,792.05	84,789,901.60	(21,372,493.94)	2,876,958.00	66,294,365.66	4,078,209,137.71
101 Property Under Capital Leases						
Electric Capital Leased Property	2,876,958.00	-	-	(2,876,958.00)	(2,876,958.00)	-
Electric Steam Production	2,876,958.00	-	-	(2,876,958.00)	(2,876,958.00)	-
Total 101101	2,876,958.00	-	-	(2,876,958.00)	(2,876,958.00)	-
105 Plant Held for Future Use						
Electric						
Electric Distribution	649,014.48	-	-	-	-	649,014.48
Electric Steam Production	4,182,559.70	-	-	-	-	4,182,559.70
	4,831,574.18	-	-	-	-	4,831,574.18
Total 105001	4,831,574.18	-	-	-	-	4,831,574.18

Louisville Gas and Electric Company
 Summary of Utility Plant
 June 30, 2009

	Beginning Balance	Additions	Retirements	Transfers/ Adjustments	Net Additions	Ending Balance
106 Completed Construction Not Classified						
Common						
Common General Plant	1,922,810.85	(987,773.87)	-	-	(987,773.87)	935,036.98
Common Intangible Plant	1,374,736.40	(243,437.80)	-	-	(243,437.80)	1,131,298.60
	3,297,547.25	(1,231,211.67)	-	-	(1,231,211.67)	2,066,335.58
Electric						
Electric Distribution	53,528,201.00	20,010,990.15	-	-	20,010,990.15	73,539,191.15
Electric General Plant	121,321.11	(121,321.11)	-	-	(121,321.11)	-
Electric Hydro Production	56,785.36	(40,013.87)	-	-	(40,013.87)	16,771.49
Electric Intangible Plant	-	-	-	-	-	-
Electric Other Production	123,654.81	(123,654.81)	-	-	(123,654.81)	-
Electric Steam Production	13,060,279.51	(645,641.46)	-	-	(645,641.46)	12,414,638.05
Electric Transmission	1,573,129.06	(505,298.94)	-	-	(505,298.94)	1,067,830.12
	68,463,370.85	18,575,059.96	-	-	18,575,059.96	87,038,430.81
Gas						
Gas Distribution	37,599,096.45	4,384,503.27	-	-	4,384,503.27	41,983,599.72
Gas General Plant	-	179,482.20	-	-	179,482.20	179,482.20
Gas Intangible Plant	-	-	-	-	-	-
Gas Storage	1,318,828.23	609,220.50	-	-	609,220.50	1,928,048.73
Gas Transmission	38,917,924.68	5,304,286.83	-	-	5,304,286.83	44,222,211.51
	110,678,842.78	22,648,135.12	-	-	22,648,135.12	133,326,977.90
Total 106 Accounts						
	2,139,990.00	-	-	-	-	2,139,990.00
	2,139,990.00	-	-	-	-	2,139,990.00
	2,139,990.00	-	-	-	-	2,139,990.00
121 Nonutility Property						
Common	75,239.56	-	-	-	-	75,239.56
Nonutility Property	75,239.56	-	-	-	-	75,239.56
	75,239.56	-	-	-	-	75,239.56
Total 121001						
	4,132,517,396.57	107,438,036.72	(21,372,493.94)	-	86,065,542.78	4,218,582,939.35
107 Construction Work in Progress						
Construction Work in Progress						
Common	51,677,042.23	(42,010,423.79)	-	-	(42,010,423.79)	9,666,618.44
Electric	269,074,514.63	17,514,641.18	-	-	17,514,641.18	286,589,155.81
Gas	53,271,643.56	119,748.40	-	-	119,748.40	53,391,391.96
	374,023,200.42	(24,376,034.21)	-	-	(24,376,034.21)	349,647,166.21
	4,132,517,396.57	107,438,036.72	(21,372,493.94)	-	86,065,542.78	4,218,582,939.35
Total Plant (Non-CWIP)						
	4,506,540,596.99	83,062,002.51	(21,372,493.94)	-	61,689,508.57	4,568,230,105.56
Total Plant + CWIP						
	4,506,465,357.43	83,062,002.51	(21,372,493.94)	-	61,689,508.57	4,568,154,866.00

Louisville Gas and Electric Company
 Summary of Utility Plant - Reserve for Depreciation of Utility Plant
 June 30, 2009

	Beginning Balance	Accruals	Retirements	Transfers/ Adjustments	RWIP Transfers Out	Cost of Removal	Salvage	Other Credits	Ending Balance
Life Reserve									
Common General Plant	(68,115,611.49)	(6,174,455.99)	1,835,575.40	-	-	-	-	-	(72,454,492.08)
Common General Plant - ARO	(1,199.60)	(17.16)	-	-	-	-	-	-	(1,216.76)
Electric Distribution	(255,961,891.88)	(8,044,627.17)	435,736.04	(246.70)	-	-	-	-	(263,571,029.71)
Electric Distribution - ARO	(12,796.60)	(183.06)	-	-	-	-	-	-	(12,979.66)
Electric General Plant	(13,702,714.67)	(312,160.54)	211,919.75	(34.23)	-	-	-	-	(13,802,989.69)
Electric Hydro Production	(8,147,012.81)	(289,662.05)	1,371.95	(450,445.28)	-	-	-	-	(8,885,748.19)
Electric Hydro Production - ARO	(17,314.16)	(248.04)	-	-	-	-	-	-	(17,562.20)
Electric Other Production	(48,776,531.63)	(3,988,040.72)	4,822,293.01	(386,081.21)	-	-	-	-	(48,328,360.55)
Electric Other Production - ARO	(118,219.64)	(48,763.26)	78,906.72	-	-	-	-	-	(88,076.18)
Electric Steam Production	(980,719,365.60)	(26,435,394.13)	5,275,588.06	(6,122,148.92)	-	-	-	(23,204.90)	(1,008,024,525.49)
Electric Steam Production - ARO	(2,382,766.82)	(81,772.42)	-	(2,407.93)	-	-	-	(22,205.94)	(2,466,947.17)
Electric Transmission	(120,367,314.51)	(1,980,170.90)	639,096.63	6,958,922.11	-	-	-	-	(114,771,672.61)
Electric Transmission - ARO	(3,029.54)	(36.21)	-	2,407.93	-	-	-	-	(657.82)
Gas Distribution	(115,555,571.04)	(5,024,342.35)	88,674.61	-	-	-	-	-	(120,491,238.78)
Gas Distribution - ARO	(20,060.41)	(160.02)	-	-	-	-	-	-	(20,220.43)
Gas General Plant	(6,241,137.60)	(226,681.57)	189,622.59	-	-	-	-	-	(6,278,196.58)
Gas Storage	(34,022,860.14)	(468,412.32)	1,790,807.94	-	-	-	-	-	(32,700,464.52)
Gas Storage - ARO	(409,284.68)	(4,412.88)	-	-	-	-	-	-	(413,697.56)
Gas Stored Nonrecoverable	-	(26,647.18)	544.64	-	-	-	-	-	(9,384,619.06)
Gas Transmission	(63,360.36)	-	-	-	-	-	-	-	(63,360.36)
Non Utility Property	(1,663,996,559.70)	(53,106,187.97)	15,370,137.34	(34.23)	-	-	-	(45,410.84)	(1,701,778,055.40)
Cost of Removal									
Common General Plant	(469,247.42)	(119,930.82)	-	-	-	94,716.30	-	-	(494,461.94)
Electric Distribution	(157,755,648.48)	(3,151,895.78)	-	(0.30)	-	663,654.80	-	-	(160,243,889.76)
Electric General Plant	3,866.64	-	-	-	-	-	-	-	3,866.64
Electric Hydro Production	814,671.45	(17,350.64)	-	(823.08)	-	3,619.91	-	-	800,117.64
Electric Other Production	(2,039,438.56)	(145,013.21)	-	(705.46)	-	189,304.58	-	-	(1,995,852.65)
Electric Steam Production	(75,412,706.30)	(6,985,022.43)	-	(3,135.35)	-	2,024,812.23	-	-	(80,376,051.85)
Electric Transmission	(23,681,680.84)	(596,779.44)	-	4,664.19	-	904,562.68	-	-	(23,369,433.41)
Gas Distribution	(58,299,094.86)	(1,629,318.27)	-	-	-	37,821.72	-	-	(59,890,591.41)
Gas General Plant	(0.02)	-	-	-	-	-	-	-	(0.02)
Gas Storage	(403,035.01)	(57,653.44)	-	-	-	20,284.84	-	-	(440,403.61)
Gas Stored Nonrecoverable	-	-	-	-	-	-	-	-	-
Gas Transmission	(3,061,349.14)	(13,550.02)	-	-	-	47,271.66	-	-	(3,027,627.50)
Non Utility Property	(320,303,662.54)	(12,716,514.05)	-	-	-	3,985,848.72	-	-	(329,034,327.87)

July 22, 2009

Louisville Gas and Electric Company
 Summary of Utility Plant - Reserve for Depreciation of Utility Plant
 June 30, 2009

	Beginning Balance	Accruals	Retirements	Transfers/ Adjustments	RWIP Transfers Out	Cost of Removal	Salvage	Other Credits	Ending Balance
Salvage									
Common General Plant	301,592.06	5,815.54	-	-	-	-	-	-	307,407.60
Electric Distribution	15,611,295.13	615,025.12	-	-	-	-	-	-	16,226,320.25
Electric General Plant	132,019.58	2,866.47	-	-	-	-	-	-	134,886.05
Electric Hydro Production	433,316.55	-	-	-	-	-	(56,678.38)	-	376,638.17
Electric Other Production	2,644.83	-	-	-	-	-	(21,643.50)	-	(18,998.67)
Electric Steam Production	18,799,865.84	986,208.48	-	-	-	-	(430,232.93)	-	19,355,841.39
Electric Transmission	5,876,238.22	117,575.12	-	-	-	-	-	-	5,993,813.34
Gas Distribution	3,219,085.53	97,781.89	-	-	-	-	-	-	3,316,867.42
Gas General Plant	220,201.71	2,693.10	-	-	-	-	-	-	222,894.81
Gas Storage	236,769.87	7,567.59	-	-	-	-	-	-	244,337.46
Gas Stored Nonrecoverable	-	-	-	-	-	-	-	-	-
Gas Transmission	208,728.61	2,227.98	-	-	-	-	-	-	210,956.59
Non Utility Property	-	-	-	-	-	-	-	-	-
	<u>45,041,757.93</u>	<u>1,837,761.29</u>	-	-	-	-	<u>(508,554.81)</u>	-	<u>46,370,964.41</u>
Total Reserves									
Common	(68,347,826.81)	(6,288,588.43)	1,835,575.40	-	-	94,716.30	-	-	(72,706,123.54)
Electric	(1,647,424,513.80)	(50,355,444.81)	11,464,912.16	(34.23)	-	3,785,754.20	(508,554.81)	(45,410.84)	(1,683,083,292.13)
Gas	(223,486,123.70)	(7,340,907.49)	2,069,649.78	-	-	105,378.22	-	-	(228,652,003.19)
	<u>(1,939,258,464.31)</u>	<u>(63,984,940.73)</u>	<u>15,370,137.34</u>	<u>(34.23)</u>	-	<u>3,985,848.72</u>	<u>(508,554.81)</u>	<u>(45,410.84)</u>	<u>(1,984,441,418.86)</u>
Retirement Work in Progress									
Common	(9,092,255.82)	-	-	-	(94,716.30)	115,989.75	(41,610.76)	(70,400.00)	(9,182,993.13)
Electric	28,458,992.95	-	-	9,138.56	(3,231,788.55)	5,615,214.93	(244,438.73)	(247,786.70)	30,359,332.46
Gas	4,095,496.74	-	-	15,342.42	(105,378.22)	351,867.82	(613.20)	0.00	4,356,715.56
	<u>23,462,233.87</u>	-	-	<u>24,480.98</u>	<u>(3,431,883.07)</u>	<u>6,083,072.50</u>	<u>(286,662.69)</u>	<u>(318,186.70)</u>	<u>25,533,054.89</u>
YTD ACTIVITY	<u>(1,915,796,230.44)</u>	<u>(63,984,940.73)</u>	<u>15,370,137.34</u>	<u>24,446.75</u>	<u>(3,431,883.07)</u>	<u>10,068,921.22</u>	<u>(795,217.50)</u>	<u>(363,597.54)</u>	<u>(1,958,908,363.97)</u>
Amortization									
Common	(23,433,131.46)	(3,690,308.83)	6,002,356.60	-	-	-	-	-	(21,121,083.69)
Electric	(100.00)	-	-	-	-	-	-	-	(100.00)
Gas	(800.00)	-	-	-	-	-	-	-	(800.00)
	<u>(23,434,031.46)</u>	<u>(3,690,308.83)</u>	<u>6,002,356.60</u>	-	-	-	-	-	<u>(21,121,983.69)</u>
AMORTIZATION TOTAL	<u>(23,434,031.46)</u>	<u>(3,690,308.83)</u>	<u>6,002,356.60</u>	-	-	-	-	-	<u>(21,121,983.69)</u>
Depreciation & Amortization Total	<u>(1,939,230,261.90)</u>	<u>(67,675,249.56)</u>	<u>21,372,493.94</u>	<u>24,446.75</u>	<u>(3,431,883.07)</u>	<u>10,068,921.22</u>	<u>(795,217.50)</u>	<u>(363,597.54)</u>	<u>(1,980,030,347.66)</u>
Depr & Amort - Nonutility for Balance Sheet									<u>(1,979,966,987.30)</u>
Utility Plant at Original Cost Less Reserve for Depreciation & Amortization (Excl nonutility)	<u>2,567,298,455.89</u>								<u>2,588,187,878.70</u>

July 22, 2009

LG&E Monthly Report to KPSC – May 31, 2009

LOUISVILLE GAS AND ELECTRIC COMPANY

Financial Reports

May 31, 2009

Prepared by Regulatory Accounting and Reporting

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Financial and Operating Reports

Louisville Gas and Electric Company
May 31, 2009

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Louisville Gas and Electric Company
Comparative Statement of Income
May 31, 2009

	Current Month		
	This Year Amount	Last Year Amount	Increase or Decrease Amount %
Electric Operating Revenues.....	68,552,247.63	76,296,623.70	(7,744,376.07) (10.15)
Gas Operating Revenues.....	12,342,481.34	19,486,633.60	(7,144,152.26) (36.66)
Total Operating Revenues.....	80,894,728.97	95,783,257.30	(14,888,528.33) (15.54)
Fuel for Electric Generation.....	27,383,758.40	25,992,288.30	1,391,470.10 5.35
Power Purchased.....	6,154,623.33	9,073,010.63	(2,918,387.30) (32.17)
Gas Supply Expenses.....	6,608,573.88	13,964,948.71	(7,356,374.83) (52.68)
Other Operation Expenses.....	15,557,554.14	17,208,172.86	(1,650,618.72) (9.59)
Maintenance.....	8,137,416.28	8,370,553.32	(233,137.04) (2.79)
Depreciation.....	10,698,433.61	9,538,396.28	1,160,037.33 12.16
Amortization Expense.....	797,948.13	491,339.96	306,608.17 62.40
Regulatory Credits.....	(177,786.42)	(158,787.28)	(18,999.14) (11.97)
Taxes			
Federal Income.....	(153,383.89)	585,127.35	(738,511.24) (126.21)
State Income.....	(27,972.74)	276,447.60	(304,447.34) (110.12)
Deferred Federal Income - Net.....	-	1,999,593.00	(1,999,593.00) (100.00)
Deferred State Income - Net.....	-	211,985.00	(211,985.00) (100.00)
Property and Other.....	2,187,626.68	2,225,774.18	(38,147.50) (1.71)
Investment Tax Credit.....	-	-	-
Amortization of Investment Tax Credit.....	(312,908.00)	(322,577.00)	9,669.00 3.00
Loss (Gain) from Disposition of Allowances.....	-	-	-
Accretion Expense.....	163,106.58	143,782.03	19,324.55 13.44
Total Operating Expenses.....	77,016,989.98	89,600,081.94	(12,583,091.96) (14.04)
Net Operating Income.....	3,877,738.99	6,183,175.36	(2,305,436.37) (37.29)
Other Income Less Deductions.....	1,839,669.84	29,106.97	1,810,562.87 6,220.38
Income Before Interest Charges.....	5,717,408.83	6,212,282.33	(494,873.50) (7.97)
Interest on Long-term Debt.....	3,640,146.46	3,950,845.73	(310,699.27) (7.86)
Amortization of Debt Expense - Net.....	124,232.69	120,995.58	3,237.11 2.68
Other Interest Expenses.....	85,108.66	550,895.22	(465,786.56) (84.55)
Total Interest Charges.....	3,849,487.81	4,622,736.53	(773,248.72) (16.73)
Net Income.....	1,867,921.02	1,589,545.80	278,375.22 17.51

June 19, 2009

Louisville Gas and Electric Company
Comparative Statement of Income
May 31, 2009

	Year to Date		
	This Year Amount	Last Year Amount	Increase or Decrease Amount %
Electric Operating Revenues.....	367,766,635.25	365,024,023.52	2,742,611.73 0.75
Gas Operating Revenues.....	236,954,568.00	234,813,175.84	2,141,392.16 0.91
Total Operating Revenues.....	604,721,203.25	599,837,199.36	4,884,003.89 0.81
Fuel for Electric Generation.....	144,878,195.74	127,171,800.77	17,706,394.97 13.92
Power Purchased.....	29,255,061.65	38,988,584.30	(9,733,522.65) (24.97)
Gas Supply Expenses.....	180,040,117.74	180,276,055.93	(235,938.19) (0.13)
Other Operation Expenses.....	90,271,396.92	80,569,516.62	9,701,880.30 12.04
Maintenance.....	77,368,903.83	43,852,247.72	33,516,656.11 76.43
Depreciation.....	53,011,372.65	49,606,058.85	3,405,313.80 6.86
Amortization Expense.....	2,888,101.75	2,253,808.63	634,293.12 28.14
Regulatory Credits.....	(939,355.98)	(847,381.23)	(91,974.75) (10.85)
Taxes			
Federal Income.....	(3,664,409.69)	13,027,151.86	(16,691,561.55) (128.13)
State Income.....	(436,542.22)	2,264,970.90	(2,701,513.12) (119.27)
Deferred Federal Income - Net.....	1,536,591.31	1,665,863.45	(129,272.14) (7.76)
Deferred State Income - Net.....	(300,212.87)	258,909.12	(559,121.99) (215.95)
Property and Other.....	11,243,384.39	10,566,121.31	677,263.08 6.41
Investment Tax Credit.....	912,336.51	1,300,000.00	(387,663.49) (29.82)
Amortization of Investment Tax Credit.....	(1,273,666.72)	(1,626,567.16)	352,900.44 21.70
Loss (Gain) from Disposition of Allowances.....	(66,274.06)	(456,254.88)	389,980.82 85.47
Accretion Expense.....	818,442.76	773,634.87	44,807.89 5.79
Total Operating Expenses.....	585,543,443.71	549,644,521.06	35,898,922.65 6.53
Net Operating Income.....	19,177,759.54	50,192,678.30	(31,014,918.76) (61.79)
Other Income Less Deductions.....	10,761,575.54	(405,550.83)	11,167,126.37 2,753.57
Income Before Interest Charges.....	29,939,335.08	49,787,127.47	(19,847,792.39) (39.87)
Interest on Long-term Debt.....	18,335,872.74	21,056,120.89	(2,720,248.15) (12.92)
Amortization of Debt Expense - Net.....	619,550.48	604,545.36	15,005.12 2.48
Other Interest Expenses.....	1,023,794.77	1,834,722.61	(810,927.84) (44.20)
Total Interest Charges.....	19,979,217.99	23,495,388.86	(3,516,170.87) (14.97)
Net Income.....	9,960,117.09	26,291,738.61	(16,331,621.52) (62.12)

June 19, 2009

Louisville Gas and Electric Company
Comparative Statement of Income
May 31, 2009

	Year Ended Current Month		
	This Year Amount	Last Year Amount	Increase or Decrease Amount %
Electric Operating Revenues.....	1,017,696,952.02	935,305,193.64	82,391,758.38 8.81
Gas Operating Revenues.....	460,506,485.24	396,873,815.58	63,632,669.66 16.03
Total Operating Revenues.....	1,478,203,437.26	1,332,179,009.22	146,024,428.04 10.96
Fuel for Electric Generation.....	362,243,129.42	316,628,204.29	45,614,925.13 14.41
Power Purchased.....	108,174,009.69	85,162,035.00	23,011,974.69 27.02
Gas Supply Expenses.....	352,914,695.79	293,812,582.65	59,102,113.14 20.12
Other Operation Expenses.....	203,769,669.46	178,594,096.33	25,175,573.13 14.10
Maintenance.....	128,042,500.67	94,775,803.68	33,266,696.99 35.10
Depreciation.....	124,757,217.95	120,197,377.70	4,559,840.25 3.79
Amortization Expense.....	6,514,694.86	5,810,237.03	704,457.83 12.12
Regulatory Credits.....	(2,158,587.00)	(1,988,569.88)	(170,017.12) (8.55)
Taxes			
Federal Income.....	23,351,848.13	30,709,353.14	(7,357,505.01) (23.96)
State Income.....	1,580,911.27	6,517,729.10	(4,936,817.83) (75.74)
Deferred Federal Income - Net.....	(2,394,388.45)	10,095,165.79	(12,489,554.24) (123.72)
Deferred State Income - Net.....	(3,052,617.63)	1,469,939.10	(4,522,556.73) (307.67)
Property and Other.....	24,634,335.43	22,794,446.02	1,839,889.41 8.07
Investment Tax Credit.....	7,733,364.51	7,679,626.00	53,738.51 0.70
Amortization of Investment Tax Credit.....	(3,518,019.63)	(3,924,946.70)	406,927.07 10.37
Loss (Gain) from Disposition of Allowances.....	(66,274.06)	(456,254.88)	389,980.82 85.47
Accretion Expense.....	1,934,367.56	1,812,022.78	122,344.78 6.75
Total Operating Expenses.....	1,334,460,857.97	1,169,688,847.15	164,772,010.82 14.09
Net Operating Income.....	143,742,579.29	162,490,162.07	(18,747,582.78) (11.54)
Other Income Less Deductions.....	(20,051,633.77)	(633,351.96)	(19,418,281.81) (3,065.95)
Income Before Interest Charges.....	123,690,945.52	161,856,810.11	(38,165,864.59) (23.58)
Interest on Long-term Debt.....	40,390,123.28	49,666,746.15	(9,276,622.87) (18.68)
Amortization of Debt Expense - Net.....	1,600,631.39	1,445,685.79	154,945.60 10.72
Other Interest Expenses.....	7,831,531.38	5,227,282.60	2,604,248.78 49.82
Total Interest Charges.....	49,822,286.05	56,339,714.54	(6,517,428.49) (11.57)
Net Income.....	73,868,659.47	105,517,095.57	(31,648,436.10) (29.99)

June 19, 2009

Louisville Gas and Electric Company
Analysis of Retained Earnings
May 31, 2009

	Current Month		Year to Date		Year Ended Current Month	
	This Year	Last Year	This Year	Last Year	This Year	Last Year
Balance at Beginning of Period.....	713,253,867.26	674,663,583.01	740,161,671.19	689,961,390.20	676,253,128.81	640,792,029.24
Add:						
Net Income for Period.....	1,867,921.02	1,589,545.80	9,960,117.09	26,291,738.61	73,868,659.47	105,517,095.57
FTN 48 Adjustment.....	-	-	-	-	-	(55,996.00)
Deduct:						
Adjustment to Retained Earnings.....	-	-	-	-	-	-
Common Dividends						
Common Stock Without Par Value.....	-	-	35,000,000.00	40,000,000.00	35,000,000.00	70,000,000.00
Balance at End of Period.....	<u>715,121,788.28</u>	<u>676,253,128.81</u>	<u>715,121,788.28</u>	<u>676,253,128.81</u>	<u>715,121,788.28</u>	<u>676,253,128.81</u>

June 19, 2009

Louisville Gas and Electric Company
Comparative Balance Sheets as of May 31, 2009 and 2008

	This Year	Last Year		This Year	Last Year
Assets and Other Debits			Liabilities and Other Credits		
Utility Plant			Capitalization		
Utility Plant at Original Cost.....	4,559,671,958.55	4,398,171,567.43	Common Stock.....	425,170,424.09	425,170,424.09
Less Reserves for Depreciation and Amortization....	1,976,427,622.70	1,907,731,233.46	Common Stock Expense.....	(835,888.64)	(835,888.64)
Total.....	2,583,244,335.85	2,490,440,333.97	Paid-In Capital.....	83,530,392.00	60,000,000.00
Investments			Other Comprehensive Income.....	(10,400,134.83)	(11,719,114.08)
Ohio Valley Electric Corporation.....	594,286.00	594,286.00	Retained Earnings.....	715,121,788.28	676,253,128.81
Nonutility Property-Less Reserve.....	11,879.20	11,879.20	Total Common Equity.....	1,212,586,580.90	1,148,868,550.18
Special Funds.....	17,188,416.88	13,545,602.93	Pollution Control Bonds - Net of Reacquired Bonds	411,104,000.00	443,104,000.00
Other.....	-	14,921,226.00	LT Notes Payable to Associated Companies.....	485,000,000.00	410,000,000.00
Total.....	17,794,582.08	29,072,994.13	Total Long-term Debt.....	896,104,000.00	853,104,000.00
Current and Accrued Assets			Total Capitalization.....	2,108,690,580.90	2,001,972,550.18
Cash.....	3,662,450.28	2,006,347.74	Current and Accrued Liabilities		
Special Deposits.....	1,378,772.56	14,924,759.57	ST Notes Payable to Associated Companies.....	115,158,400.00	184,914,200.00
Temporary Cash Investments.....	119.71	36,379.77	Accounts Payable.....	75,235,095.15	90,511,239.95
Accounts Receivable-Less Reserve.....	124,422,450.21	138,616,104.50	Accounts Payable to Associated Companies.....	18,668,200.61	20,285,328.37
Accounts Receivable from Associated Companies.....	77,704.34	38,032.20	Customer Deposits.....	22,035,783.32	20,289,082.66
Materials and Supplies-At Average Cost			Taxes Accrued.....	9,068,957.83	9,722,050.12
Fuel.....	53,778,616.79	44,955,122.03	Interest Accrued.....	8,490,912.19	7,308,947.92
Plant Materials and Operating Supplies.....	28,416,124.35	26,638,994.38	ST Obligations Under Capital Leases.....	-	203,579.54
Stores Expense.....	4,050,456.72	4,459,278.94	Miscellaneous Current and Accrued Liabilities.....	22,277,040.36	12,161,202.16
Gas Stored Underground.....	22,319,441.11	15,388,560.11	Total.....	270,934,389.46	345,393,630.72
Allowance Inventory.....	5,354.35	10,441.03	Deferred Credits and Other		
Prepayments.....	3,605,445.22	3,256,941.09	Accumulated Deferred Income Taxes.....	412,064,151.86	401,007,116.80
Miscellaneous Current and Accrued Assets			Investment Tax Credit.....	49,987,739.92	45,772,395.04
Total.....	245,289,729.43	250,330,961.36	Regulatory Liabilities.....	97,507,436.00	54,996,949.27
Deferred Debits and Other			Customer Advances for Construction.....	9,976,818.86	19,517,736.07
Unamortized Debt Expense.....	3,962,619.54	7,091,872.54	Asset Retirement Obligations.....	32,982,362.25	30,325,512.36
Unamortized Loss on Bonds.....	23,856,476.18	21,322,700.95	Other Deferred Credits.....	25,341,767.27	20,657,138.69
Accumulated Deferred Income Taxes.....	61,747,505.35	50,691,383.57	Miscellaneous Long-term Liabilities.....	39,663,844.72	26,098,558.38
Deferred Regulatory Assets.....	327,424,129.61	150,749,233.19	Accum Provision for Postretirement Benefits.....	217,280,475.46	95,382,814.80
Other Deferred Debits.....	1,110,188.66	41,426,922.60	Total.....	884,804,596.34	693,758,221.41
Total.....	418,100,919.34	271,282,112.85	Total Liabilities and Other Credits.....	3,264,429,566.70	3,041,126,402.31
Total Assets and Other Debits.....	3,264,429,566.70	3,041,126,402.31			

Louisville Gas and Electric Company
Statement of Capitalization and Short-term Debt
May 31, 2009

	Authorized Shares	Issued and Outstanding Shares	Amount		Capital and ST Debt	Percent of Total Capital
Common Equity						
Common Stock - Without Par.....	75,000,000	21,294,223	425,170,424.09			
Common Stock Expense.....			(835,888.64)			
Paid-In Capital.....			83,530,392.00			
Other Comprehensive Income.....			(10,400,134.83)			
Retained Earnings.....			715,121,788.28			
Total Common Equity.....			1,212,586,580.90		54.53	57.50
Long-term Debt						
Pollution Control Bonds						
Jefferson County 2000 Series A due 05/01/27 5.375%.....			25,000,000.00			
Trimble County 2000 Series A due 08/01/30 Var%.....			83,335,000.00			
Jefferson County 2001 Series A due 09/01/27 Var%.....			10,104,000.00			
Jefferson County 2001 Series A due 09/01/26 Var%.....			22,500,000.00			
Trimble County 2001 Series A due 09/01/26 Var%.....			27,500,000.00			
Jefferson County 2001 Series B due 11/01/27 Var%.....			35,000,000.00			
Trimble County 2001 Series B due 11/01/27 Var%.....			35,000,000.00			
Trimble County 2002 Series A due 10/01/32 Var%.....			41,665,000.00			
Louisville Metro 2003 Series A due 10/01/33 Var%.....			128,000,000.00			
Louisville Metro 2005 Series A due 02/01/35 5.750%.....			40,000,000.00			
Louisville Metro 2007 Series A due 06/01/33 5.625%.....			31,000,000.00			
Louisville Metro 2007 Series B due 06/01/33 Var%.....			35,200,000.00			
Trimble County 2007 Series A due 06/01/33 4.600%.....			60,000,000.00			
			574,304,000.00		25.82	27.24
Less Reacquired Bonds						
Louisville Metro 2003 Series A due 10/01/33 Var%.....			(128,000,000.00)			
Louisville Metro 2007 Series B due 06/01/33 Var%.....			(35,200,000.00)			
			(163,200,000.00)		(7.34)	(7.74)
Total Pollution Control Bonds - Net of Reacquired Bonds.....			411,104,000.00		18.48	19.50
Long-term Notes Payable to Associated Companies.....			485,000,000.00		21.81	23.00
Total Capitalization.....			2,108,690,580.90		94.82	100.00
Short-term Notes Payable to Associated Companies.....			115,158,400.00		5.18	
Total Capitalization and Short-term Debt.....			2,223,848,980.90		100.00	

Louisville Gas and Electric Company
Summary Trial Balance
May 31, 2009

<u>Account - Subsidiary Account</u>	<u>Balance Subsidiary Account</u>	<u>Balance as Shown on Balance Sheets</u>
Utility Plant		
At Original Cost.....	4,559,671,958.55	4,559,671,958.55
Reserves for Depreciation and Amortization.....		(1,976,427,622.70)
Depreciation of Plant		
Electric.....	(1,649,992,953.31)	
Gas.....	(225,060,806.84)	
Common.....	(81,000,845.97)	
Amortization of Plant		
Common.....	(20,372,116.58)	
Gas.....	(800.00)	
Electric.....	(100.00)	
Investments.....		17,794,582.08
Special Funds.....	17,188,416.88	
Ohio Valley Electric Corporation.....	594,286.00	
Nonutility Property.....	75,239.56	
Nonutility Property Reserve.....	(63,360.36)	
Cash.....	3,662,450.28	3,662,450.28
Special Deposits.....		1,378,772.56
Other Special Deposits.....	1,378,772.56	
Temporary Cash Investments.....	119.71	119.71
Accounts Receivable - Less Reserve.....		124,422,450.21
Customers - Active.....	69,279,335.22	
Unbilled Revenues.....	44,319,729.94	
Wholesale Sales.....	4,329,734.67	
IMPA.....	1,949,729.15	
IMEA.....	1,910,742.30	
Sundry Accounts Receivable.....	1,288,297.03	
Electricity Swaps.....	753,407.51	
Damage Claims.....	527,080.58	
Transmission Sales.....	259,198.03	
Employee Computer Loans.....	79,266.30	
Interest and Dividends Receivable.....	23,307.25	
Working Funds.....	20,780.00	
Rents Receivable.....	15,228.36	
Other.....	1,637,382.99	
Reserves for Uncollectible Accounts		
Utility Customers		
Charged Off.....	1,884,329.36	
Reserve.....	(1,258,286.00)	
Accrual.....	(1,054,972.14)	
Recoveries.....	(829,357.22)	
A/R Miscellaneous.....	(711,855.00)	
LEM Reserve.....	(628.12)	
Accounts Receivable from Associated Companies.....		77,704.34
E.ON US Services/Kentucky Utilities Company.....	77,704.34	
Fuel.....		53,778,616.79
Coal 1,322,967.74 Tons @ \$40.37; MMBtu 30,080,370.15 @ 177.57¢.....	53,413,768.32	
Fuel Oil 193,931 Gallons @ 157.16¢.....	304,779.14	
Gas Pipeline 4,600.00 Mcf @ \$13.06.....	60,069.33	
Plant Materials and Operating Supplies.....		28,416,124.35
Regular Materials and Supplies.....	27,999,018.23	
Limestone 52,659.91 Tons @ \$ 7.92.....	417,106.12	

June 19, 2009

Louisville Gas and Electric Company
Summary Trial Balance
May 31, 2009

<u>Account - Subsidiary Account</u>	Balance Subsidiary Account	Balance as Shown on Balance Sheets
Stores Expense Undistributed.....	4,050,456.72	4,050,456.72
Gas Stored Underground - Current.....		22,319,441.11
Gas St. Underground*2,216,897.00 Mcf (14.73 psia) @ \$ 10.07.....	22,319,441.11	
Allowance Inventory.....	5,354.35	5,354.35
Prepayments.....		3,605,445.22
Insurance.....	2,238,602.88	
Rights of Way.....	266,666.70	
Franchises.....	205,811.26	
Taxes.....	157,536.01	
Risk Management and Workers Compensation.....	90,000.00	
Vehicle License.....	43,060.79	
Other.....	603,767.58	
Miscellaneous Current Assets.....		3,572,793.79
Derivative Asset - Non-Hedging.....	3,572,793.79	
Unamortized Debt Expense.....		3,962,619.54
Trimble County 2000 Series A due 08/01/30 Var%.....	819,178.51	
Jefferson County 2001 Series A due 09/01/27 Var%.....	372,141.70	
Jefferson County 2001 Series B due 11/01/27 Var%.....	202,495.83	
Trimble County 2001 Series A due 09/01/26 Var%.....	186,127.35	
Jefferson County 2001 Series A due 09/01/26 Var%.....	171,185.04	
Trimble County 2001 Series B due 11/01/27 Var%.....	202,529.04	
Trimble County 2002 Series A due 10/01/32 Var%.....	868,478.21	
Trimble County 2007 Series A due 06/01/33 4.600%.....	1,140,483.86	
Unamortized Loss on Bonds.....	23,856,476.18	23,856,476.18
Accumulated Deferred Income Taxes.....		61,747,505.35
Federal.....		
Electric.....	47,679,361.47	
Gas.....	4,646,962.38	
State.....		
Electric.....	8,573,711.17	
Gas.....	847,470.33	
Regulatory Assets.....		327,424,129.61
Asset Retirement Obligations.....		
Electric.....	21,128,387.47	
Gas.....	8,269,671.34	
Common.....	25,332.83	
Pension and Postretirement Benefits.....	249,597,539.00	
2008 Wind Storm.....	23,540,332.79	
MISO Exit Fee.....	6,462,037.90	
Environmental Cost Recovery.....	6,394,405.00	
Gas Supply Clause/PBR.....	4,789,599.77	
Fuel Adjustment Clause.....	2,956,000.00	
ECR Ash Hauling.....	1,886,182.81	
Rate Case Expenses.....	908,771.43	
EKPC FERC Transmission Costs.....	805,469.04	
KCCS Funding.....	660,400.23	
Other Deferred Debits.....	1,110,188.66	1,110,188.66
Total Assets and Other Debits.....	3,264,429,566.70	3,264,429,566.70

* Excludes:

	\$	Mcf
Non-recoverable Base Gas	9,648,855.00	7,880,000
Recoverable Base Gas	<u>2,139,990.00</u>	<u>2,930,000</u>
	11,788,845.00	10,810,000

June 19, 2009

Louisville Gas and Electric Company
Summary Trial Balance
May 31, 2009

<u>Account - Subsidiary Account</u>	<u>Balance Subsidiary Account</u>	<u>Balance as Shown on Balance Sheets</u>
Common Equity.....		1,212,586,580.90
Common Stock.....	425,170,424.09	
Common Stock Expense.....	(835,888.64)	
Paid-In Capital.....	83,530,392.00	
Other Comprehensive Income.....	(10,400,134.83)	
Retained Earnings.....	715,121,788.28	
Bonds.....	411,104,000.00	411,104,000.00
Long-term Notes Payable to Associated Companies.....	485,000,000.00	485,000,000.00
Short-term Notes Payable to Associated Companies.....	115,158,400.00	115,158,400.00
Accounts Payable.....		75,235,095.15
Regular.....	71,613,828.15	
Salaries and Wages Accrued.....	2,831,434.30	
Tax Collections - Payable.....	937,793.73	
Employee Withholdings Payable.....	(147,961.03)	
Accounts Payable to Associated Companies.....		18,668,200.61
E.ON US Services/Kentucky Utilities Company.....	18,668,200.61	
Customers' Deposits.....	22,035,783.32	22,035,783.32
Taxes Accrued.....	9,068,957.83	9,068,957.83
Interest Accrued.....		8,490,912.19
Jefferson County 2000 Series A due 05/01/27 5.375%.....	111,979.24	
Trimble County 2000 Series A due 08/01/30 Var%.....	19,861.53	
Jefferson County 2001 Series A due 09/01/27 Var%.....	505.30	
Jefferson County 2001 Series A due 09/01/26 Var%.....	34,520.58	
Trimble County 2001 Series A due 09/01/26 Var%.....	42,191.76	
Jefferson County 2001 Series B due 11/01/27 Var%.....	42,958.88	
Trimble County 2001 Series B due 11/01/27 Var%.....	42,959.19	
Trimble County 2002 Series A due 10/01/32 Var%.....	17,026.68	
Louisville Metro 2003 Series A 11/20/03 due 10/01/33 Var%.....	(0.04)	
Louisville Metro 2005 Series A due 02/01/35 5.750%.....	760,277.86	
Louisville Metro 2007 Series A due 06/01/33 5.625%.....	900,937.55	
Louisville Metro 2007 Series B 04/26/07 due 06/01/33 Var%.....	0.01	
Trimble County 2007 Series A due 06/01/33 4.600%.....	1,380,000.00	
Fidelia.....	4,121,750.55	
Interest Rate Swaps.....	617,905.57	
Customers' Deposits.....	288,557.31	
Other.....	109,480.22	
Miscellaneous Current and Accrued Liabilities.....		22,277,040.36
No-Notice Gas Payable.....	6,781,642.23	
Vacation Pay Accrued.....	5,477,890.52	
Customer Overpayments.....	3,913,837.63	
Postretirement Benefits - Current.....	3,411,968.00	
Derivative Liabilities - Non-Hedging.....	675,081.01	
Other.....	2,016,620.97	

June 19, 2009

Louisville Gas and Electric Company
Summary Trial Balance
May 31, 2009

<u>Account - Subsidiary Account</u>	<u>Balance Subsidiary Account</u>	<u>Balance as Shown on Balance Sheets</u>
Accumulated Deferred Income Taxes.....		412,064,151.86
Federal		
Electric.....	305,806,908.79	
Gas.....	48,489,402.41	
State		
Electric.....	50,454,886.47	
Gas.....	7,312,954.19	
Investment Tax Credit.....		49,987,739.92
Job Development Credit		
Electric.....	28,049,370.25	
Gas.....	925,379.16	
Advanced Coal Credit.....	21,012,990.51	
Regulatory Liabilities.....		97,507,436.00
Deferred Taxes		
Federal		
Electric.....	22,823,270.30	
Gas.....	1,394,245.34	
State		
Electric.....	17,295,732.68	
Gas.....	2,567,058.44	
Gas Supply Clause/PBR.....	36,948,678.05	
DSM Cost Recovery.....	10,264,041.72	
MISO Schedule 10 Charges.....	2,935,074.80	
Asset Retirement Obligations		
Gas.....	2,605,939.54	
Electric.....	673,395.13	
Customers' Advances for Construction.....		9,976,818.86
Line Extensions		
Gas.....	7,851,869.00	
Electric.....	1,040,489.29	
Customer Advances - Museum Plaza.....	1,084,460.57	
Asset Retirement Obligations.....		32,982,362.25
Electric.....	24,546,091.17	
Gas.....	8,408,417.00	
Common.....	27,854.08	
Other Deferred Credits.....	25,341,767.27	25,341,767.27
Miscellaneous Long-term Liabilities.....		39,663,844.72
Long-term Derivative Liabilities - SFAS 133.....	34,169,283.41	
Workers' Compensation.....	5,494,561.31	
Accumulated Provision for Benefits.....		217,280,475.46
Pension Payable.....	135,235,667.00	
Postretirement Benefits - SFAS 106.....	78,478,074.46	
Post Employment Benefits Payable.....	3,747,857.00	
Post Employment Medicare Subsidy.....	(181,123.00)	
Total Liabilities and Other Credits.....	3,264,429,566.70	3,264,429,566.70

June 19, 2009

Louisville Gas and Electric Company
Statement of Cash Flows
May 31, 2009

	Year to Date	
	2009	2008
Cash Flows from Operating Activities		
Net income.....	9,960,117.09	26,291,738.61
Items not requiring (providing) cash currently:		
Depreciation.....	53,011,372.65	49,606,058.85
Amortization.....	2,888,101.75	2,253,808.63
Deferred income taxes - net.....	1,236,378.44	4,359,321.57
Investment tax credit - net.....	(361,330.21)	(326,567.16)
Other.....	(897,196.62)	1,928,010.03
Change in receivables.....	78,905,205.61	49,924,492.55
Change in inventory.....	86,317,577.47	66,664,095.27
Change in allowance inventory.....	605.86	1,018.44
Change in payables and accrued expenses.....	(48,436,923.25)	(7,749,505.13)
Change in regulatory assets.....	(10,184,452.78)	272,816.09
Change in regulatory liabilities.....	41,241,204.84	(118,588.35)
Change in other deferred debits.....	40,112,157.22	(9,791,662.79)
Change in other deferred credits.....	(18,310,249.18)	(20,205,114.72)
Other.....	(23,008,355.98)	9,863,450.27
Net cash provided (used) by operating activities.....	<u>212,474,212.91</u>	<u>172,973,372.16</u>
Cash Flows from Investing Activities		
Gross additions to utility plant - construction expenditures.....	(63,432,664.98)	(88,140,425.56)
Gross additions to common utility plant - construction expenditures.....	(6,618,202.28)	(12,922,034.34)
Change in restricted cash.....	468,541.83	(8,004,786.32)
Change in non-hedging derivatives.....	(1,463,976.98)	385,022.65
Net cash provided (used) by investing activities.....	<u>(71,046,302.41)</u>	<u>(108,682,223.57)</u>
Cash Flows from Financing Activities		
Proceeds from issuance of long-term debt.....	(212,378.88)	(20,757.79)
Net change in short-term debt.....	(106,840,800.00)	106,673,000.00
Payments for reacquisition of long-term debt.....	-	(131,200,000.00)
Net change in short-term capital lease obligations.....	(23,650.00)	(201,858.15)
Net change in long-term capital lease obligations.....	-	(23,649.00)
Net change in restricted cash.....	-	(1,823,575.02)
Dividends on common stock.....	(35,000,000.00)	(40,000,000.00)
Net cash provided (used) by financing activities.....	<u>(142,076,828.88)</u>	<u>(66,596,839.96)</u>
Net Increase (Decrease) in Cash and Cash Equivalents.....	(648,918.38)	(2,305,691.37)
Cash and Cash Equivalents at Beginning of Period.....	<u>4,311,488.37</u>	<u>4,348,418.88</u>
Cash and Cash Equivalents at End of Period.....	<u>3,662,569.99</u>	<u>2,042,727.51</u>

June 19, 2009

Louisville Gas and Electric Company
Analysis of Interest Charges
May 31, 2009

	Current Month		Year to Date		Year Ended Current Month	
	This Year	Last Year	This Year	Last Year	This Year	Last Year
Interest on Long-term Debt						
Loan Agreement - Pollution Control Bonds						
1992 Series A Variable.....	-	-	-	-	-	(114,698.96)
1992 Series A Variable TC.....	-	-	-	-	-	(221,983.33)
1993 Series A Variable Rate.....	111,979.17	53,893.43	559,895.85	593,563.55	640,379.49	1,150,508.01
Jefferson County 2000 Series A due 05/01/27 5.375%.....	18,657.79	187,019.94	108,104.03	1,262,499.79	1,447,741.96	3,371,750.63
Trimble County 2000 Series A due 08/01/30 Var%.....	3,861.97	22,055.63	20,636.31	143,696.85	165,546.76	388,741.34
Jefferson County 2001 Series A due 09/01/27 Var%.....	19,109.59	41,118.61	122,324.35	280,755.69	366,820.08	764,884.61
Jefferson County 2001 Series A due 09/01/26 Var%.....	23,356.16	50,256.07	149,507.54	343,145.81	448,335.64	934,858.89
Trimble County 2001 Series B due 11/01/27 Var%.....	23,780.82	66,620.79	161,609.13	441,704.89	541,937.77	1,198,705.47
Trimble County 2001 Series B due 11/01/27 Var%.....	23,780.82	66,620.79	161,609.13	441,704.89	541,937.77	1,196,116.44
Trimble County 2002 Series A due 10/01/32 Var%.....	15,994.79	122,323.20	103,251.59	716,964.75	837,506.15	1,702,233.59
Louisville Metro 2003 Series A due 10/01/33 Var%.....	(5,409.06)	707,075.56	(27,045.30)	2,784,017.75	68,002.26	5,618,382.18
Louisville Metro 2005 Series A due 02/01/35 5.750%.....	191,666.67	70,218.58	958,333.34	654,669.60	1,029,174.86	1,510,614.06
Louisville Metro 2007 Series A due 06/01/33 5.625%.....	145,312.50	58,146.17	726,562.50	610,544.04	787,192.68	1,291,252.38
Louisville Metro 2007 Series B due 06/01/33 Var%.....	-	66,024.03	(0.03)	683,509.58	(114,988.87)	1,454,849.16
Trimble County 2007 Series A due 06/01/33 4.600%.....	230,000.00	230,000.00	1,150,000.02	1,160,603.33	2,760,000.02	2,770,603.37
Interest Rate Swaps.....	617,905.25	425,163.94	3,040,334.18	1,834,865.42	6,000,611.62	2,778,640.34
Notes/Debentures.....	2,220,149.99	1,820,774.99	11,100,750.10	9,103,874.95	24,869,925.09	3,436,255.41
Fidelia.....	-	-	-	-	-	20,565,267.70
Total.....	3,640,146.46	3,950,845.73	18,335,872.74	21,056,120.89	40,390,123.28	49,666,746.15
Amortization of Debt Expense - Net						
Amortization of Debt Expense.....	15,517.65	25,146.92	77,239.22	151,792.08	205,101.17	386,180.22
Amortization of Loss on Reacquired Debt.....	108,715.04	95,848.66	542,311.26	452,753.28	1,395,530.22	1,059,505.57
Total.....	124,232.69	120,995.58	619,550.48	604,545.36	1,600,631.39	1,445,685.79
Other Interest Charges						
Customers' Deposits.....	101,625.46	85,239.84	461,827.91	427,125.00	1,114,097.85	1,000,946.15
Other Tax Deficiencies.....	-	-	-	1,111.00	(3,221.00)	(500.41)
Gas Refunds.....	-	-	-	-	-	68.84
Interest on DSM Cost Recovery.....	6,595.12	-	35,421.12	-	77,100.21	-
Interest on Debt to Associated Companies.....	43,808.91	415,659.38	444,875.32	1,356,335.62	5,319,616.03	4,175,977.58
Other Interest Expense.....	(66,920.83)	49,996.00	81,670.42	50,150.99	1,323,938.29	50,790.44
Total.....	85,108.66	550,895.22	1,023,794.77	1,834,722.61	7,831,531.38	5,227,282.60
Total Interest.....	3,849,487.81	4,622,736.53	19,979,217.99	23,495,388.86	49,822,286.05	56,339,714.54

June 19, 2009

Louisville Gas and Electric Company
Analysis of Taxes Charged and Accrued
May 31, 2009

Kind of Taxes	Current Month		Year To Date	
	This Year	Last Year	This Year	Last Year
Taxes Charged to Accounts 408.1 and 409.1				
Property Taxes.....	1,456,758.89	1,352,184.77	7,381,767.63	6,760,923.85
Unemployment.....	7,089.36	10,921.05	102,867.58	81,871.71
FICA.....	566,242.41	694,041.06	2,950,818.13	2,803,732.30
Public Service Commission Fee.....	157,536.02	161,615.66	787,680.10	808,078.30
Federal Income.....	(153,383.89)	585,127.35	(3,664,409.69)	13,027,151.86
State Income.....	(27,972.74)	276,474.60	(436,542.22)	2,264,970.90
Miscellaneous.....	-	7,011.64	20,250.95	111,515.15
Total Charged to Operating Expense.....	2,006,270.05	3,087,376.13	7,142,432.48	25,858,244.07
Taxes Charged to Other Accounts.....	1,633,236.70	208,625.67	7,355,066.72	6,958,828.35
Taxes Accrued on Intercompany Accounts.....	(215,497.08)	(187,993.97)	(1,058,602.76)	(907,015.99)
Total Taxes Charged.....	3,424,009.67	3,108,007.83	13,438,896.44	31,910,056.43

ANALYSIS OF TAXES ACCRUED - ACCOUNT 236

Kind of Taxes	Taxes Accrued	Accruals	Payments	Taxes Accrued
	At Beginning Of Year	To Date This Year	To Date This Year	At End Of Month
Property Taxes.....	9,963,700.60	7,483,264.00	9,756,515.77	7,690,448.83
Unemployment.....	68,978.84	67,741.09	136,215.89	504.04
FICA.....	698,416.45	2,519,309.04	2,843,009.17	374,716.32
Federal Income.....	5,330,534.78	4,670,607.82	8,389,725.90	1,611,416.70
State Income.....	1,741,239.63	(2,971,714.54)	(131,591.00)	(1,098,883.91)
Kentucky Sales and Use Tax.....	578,874.39	1,571,550.18	1,680,635.07	469,789.50
Miscellaneous.....	-	98,138.85	77,172.50	20,966.35
Totals.....	18,381,744.69	13,438,896.44	22,751,683.30	9,068,957.83

June 19, 2009

Louisville Gas and Electric Company
 Summary of Utility Plant
 May 31, 2009

	Beginning Balance	Additions	Retirements	Transfers/Adjustments	Net Additions	Ending Balance
101 Utility Plant in Service						
Common						
Common General Plant	156,628,323.83	5,093,596.91	(1,522,848.02)	-	3,570,748.89	160,199,072.72
Common Intangible Plant	30,504,727.59	42,620,932.17	(5,949,116.63)	-	36,671,815.54	67,176,543.13
	187,133,051.42	47,714,529.08	(7,471,964.65)	-	40,242,564.43	227,375,615.85
Electric						
Electric Distribution	768,525,773.32	4,308,030.32	(433,289.11)	18,468.18	3,893,209.39	772,418,982.71
Electric General Plant	16,739,305.40	282,874.40	(112,588.71)	-	170,285.69	16,909,591.09
Electric Hydro Production	40,692,754.42	68,394.41	(1,371.95)	743,189.41	810,211.87	41,502,966.29
Electric Intangible Plant	2,340.29	-	-	-	-	2,340.29
Electric Other Production	226,677,788.60	2,072,634.46	(1,670,959.45)	3,381,620.44	3,783,295.45	230,461,084.05
Electric Steam Production	1,957,945,532.56	11,931,001.76	(3,875,417.49)	12,545,269.79	20,600,854.06	1,978,546,406.62
Electric Transmission	256,087,174.79	3,844,900.65	(439,307.97)	(16,688,547.82)	(13,282,955.14)	242,804,219.65
	3,266,670,689.38	22,507,836.00	(6,532,934.68)	-	15,974,901.32	3,282,645,590.70
Gas						
Gas Distribution	473,727,554.77	572,817.63	(42,605.39)	-	530,212.24	474,257,767.01
Gas General Plant	9,038,472.86	11,468.17	(101,505.16)	-	(90,036.99)	8,948,435.87
Gas Intangible Plant	1,187.49	-	-	-	-	1,187.49
Gas Storage	62,441,928.04	455,885.32	(56,933.23)	-	398,952.09	62,840,880.13
Gas Transmission	12,901,908.09	81,935.53	(544.64)	-	81,390.89	12,983,298.98
	558,111,051.25	1,122,106.65	(201,588.42)	-	920,518.23	559,031,569.48
Total 101 Accounts	4,011,914,792.05	71,344,471.73	(14,206,487.75)	-	57,137,983.98	4,069,052,776.03
101 Property Under Capital Leases						
Electric Capital Leased Property	2,876,938.00	-	-	-	-	2,876,938.00
Electric Steam Production	2,876,938.00	-	-	-	-	2,876,938.00
Total 10101	2,876,938.00	-	-	-	-	2,876,938.00
105 Plant Held for Future Use						
Electric						
Electric Distribution	649,014.48	-	-	-	-	649,014.48
Electric Steam Production	4,182,559.70	-	-	-	-	4,182,559.70
	4,831,574.18	-	-	-	-	4,831,574.18
Total 105001	4,831,574.18	-	-	-	-	4,831,574.18
106 Completed Construction Not Classified						
Common						
Common General Plant	1,922,810.85	(222,349.37)	-	-	(222,349.37)	1,700,461.48
Common Intangible Plant	1,374,736.40	(248,484.27)	-	-	(248,484.27)	1,126,252.13
	3,297,547.25	(470,833.64)	-	-	(470,833.64)	2,826,713.61

Louisville Gas and Electric Company
 Summary of Utility Plant
 May 31, 2009

	Beginning Balance	Additions	Retirements	Transfers/ Adjustments	Net Additions	Ending Balance
Electric						
Electric Distribution	53,528,201.00	7,760,397.22	-	-	7,760,397.22	61,288,598.22
Electric General Plant	121,321.11	(121,321.11)	-	-	(121,321.11)	-
Electric Hydro Production	56,785.36	(56,785.36)	-	-	(56,785.36)	-
Electric Intangible Plant	-	-	-	-	-	-
Electric Other Production	123,654.81	(123,654.81)	-	-	(123,654.81)	-
Electric Steam Production	13,060,279.51	(1,495,852.81)	-	-	(1,495,852.81)	11,564,426.70
Electric Transmission	1,573,129.06	(1,122,557.90)	-	-	(1,122,557.90)	450,571.16
	68,463,370.85	4,840,225.23	-	-	4,840,225.23	73,303,596.08
Gas						
Gas Distribution	37,599,096.45	3,191,457.64	-	-	3,191,457.64	40,790,554.09
Gas General Plant	-	179,482.20	-	-	179,482.20	179,482.20
Gas Intangible Plant	-	-	-	-	-	-
Gas Storage	1,318,828.23	(472,287.97)	-	-	(472,287.97)	846,540.26
Gas Transmission	38,917,924.68	2,898,651.87	-	-	2,898,651.87	41,816,576.55
Total 106 Accounts	110,678,842.78	7,268,043.46	-	-	7,268,043.46	117,946,886.24
117 Gas Stored Underground - Noncurrent Gas						
Gas Stored Nonrecoverable	2,139,990.00	-	-	-	-	2,139,990.00
	2,139,990.00	-	-	-	-	2,139,990.00
Total 117001	2,139,990.00	-	-	-	-	2,139,990.00
121 Nonutility Property Common						
Nonutility Property	75,239.56	-	-	-	-	75,239.56
	75,239.56	-	-	-	-	75,239.56
Total 121001	75,239.56	-	-	-	-	75,239.56
107 Construction Work in Progress Construction Work in Progress						
Common	51,677,042.23	(40,625,493.16)	-	-	(40,625,493.16)	11,051,549.07
Electric	269,074,514.63	28,044,630.33	-	-	28,044,630.33	297,119,144.96
Gas	53,271,643.56	1,381,436.51	-	-	1,381,436.51	54,653,080.07
	374,023,200.42	(11,199,426.32)	-	-	(11,199,426.32)	362,823,774.10
Total Plant (Non-CWIP)	4,132,517,396.57	78,612,515.19	(14,206,487.75)	-	64,406,027.44	4,196,923,424.01
Total Plant + CWIP	4,506,540,596.99	67,413,088.87	(14,206,487.75)	-	53,206,601.12	4,559,747,198.11
Total Plant + CWIP - Nonutility (BS)	4,506,465,357.43	67,413,088.87	(14,206,487.75)	-	53,206,601.12	4,559,671,958.55

Louisville Gas and Electric Company
Summary of Utility Plant - Reserve for Depreciation of Utility Plant
 May 31, 2009

	Beginning Balance	Accruals	Retirements	Transfers/ Adjustments	RWIP Transfers Out	Cost of Removal	Salvage	Other Credits	Ending Balance
Life Reserve									
Common General Plant	(68,115,611.49)	(5,053,494.07)	1,522,848.02	-	-	-	-	-	(71,646,257.54)
Common General Plant - ARO	(1,199.60)	(14.30)	-	-	-	-	-	-	(1,213.90)
Electric Distribution	(255,961,891.88)	(6,764,121.61)	433,289.11	(246.70)	-	-	-	-	(262,292,971.08)
Electric Distribution - ARO	(12,796.60)	(152.55)	-	-	-	-	-	-	(12,949.15)
Electric General Plant	(13,702,714.67)	(254,705.76)	112,588.71	(34.23)	-	-	-	-	(13,844,865.95)
Electric Hydro Production	(8,147,012.81)	(243,488.65)	1,371.95	(450,445.28)	-	-	-	-	(8,839,574.79)
Electric Hydro Production - ARO	(17,314.16)	(206.70)	-	-	-	-	-	-	(17,520.86)
Electric Other Production	(48,776,531.63)	(3,310,957.04)	1,592,052.73	(386,081.21)	-	-	-	-	(50,881,517.15)
Electric Other Production - ARO	(118,219.64)	(48,556.21)	78,906.72	-	-	-	-	-	(87,869.13)
Electric Steam Production	(980,719,365.60)	(21,991,298.22)	3,875,417.49	(6,122,148.92)	-	-	-	(23,204.90)	(1,004,980,600.15)
Electric Steam Production - ARO	(2,382,766.82)	(68,138.04)	-	(2,407.93)	-	-	-	-	(2,453,312.79)
Electric Transmission	(120,367,314.51)	(1,668,577.63)	439,307.97	6,958,922.11	-	-	-	-	(114,637,662.06)
Electric Transmission - ARO	(3,029.54)	(34.66)	-	2,407.93	-	-	-	-	(656.27)
Gas Distribution	(115,555,571.04)	(4,180,706.00)	42,605.39	-	-	-	-	-	(119,693,671.65)
Gas Distribution - ARO	(20,060.41)	(133.35)	-	-	-	-	-	-	(20,193.76)
Gas General Plant	(6,241,137.60)	(186,256.31)	101,505.16	-	-	-	-	-	(6,325,888.75)
Gas Storage	(34,022,860.14)	(394,474.79)	56,933.23	-	-	-	-	-	(34,360,401.70)
Gas Storage - ARO	(409,284.68)	(3,677.40)	-	-	-	-	-	-	(412,962.08)
Gas Stored Nonrecoverable	-	-	-	-	-	-	-	-	-
Gas Transmission	(9,358,516.52)	(23,176.68)	544.64	-	-	-	-	-	(9,381,148.56)
Non Utility Property	(63,360.36)	-	-	-	-	-	-	-	(63,360.36)
	(1,663,996,559.70)	(44,192,169.97)	8,257,371.12	(34.23)	-	-	-	(23,204.90)	(1,699,954,597.68)
Cost of Removal									
Common General Plant	(469,247.42)	(98,010.51)	-	-	-	92,477.44	-	-	(474,780.49)
Electric Distribution	(157,755,648.48)	(2,648,669.06)	-	(0.30)	-	600,746.86	-	-	(159,803,570.98)
Electric General Plant	3,866.64	-	-	-	-	-	-	-	3,866.64
Electric Hydro Production	814,671.45	(13,846.60)	-	(823.08)	-	3,619.91	-	-	803,621.68
Electric Other Production	(2,039,438.56)	(115,925.79)	-	(705.46)	-	159,054.79	-	-	(1,997,015.02)
Electric Steam Production	(75,412,706.30)	(5,728,876.48)	-	(3,135.35)	-	1,456,498.19	-	-	(79,688,219.94)
Electric Transmission	(23,681,680.84)	(500,557.40)	-	4,664.19	-	622,575.35	-	-	(23,554,998.70)
Gas Distribution	(58,299,094.86)	(1,391,300.26)	-	-	-	13,451.36	-	-	(59,676,943.76)
Gas General Plant	(0.02)	-	-	-	-	-	-	-	(0.02)
Gas Storage	(403,035.01)	(49,064.25)	-	-	-	13,315.84	-	-	(438,783.42)
Gas Stored Nonrecoverable	-	-	-	-	-	-	-	-	-
Gas Transmission	(3,061,349.14)	(12,694.81)	-	-	-	47,271.66	-	-	(3,026,772.29)
Non Utility Property	-	-	-	-	-	-	-	-	-
	(320,303,662.54)	(10,558,945.16)	-	-	-	3,009,011.40	-	-	(327,853,596.30)

June 19, 2009

Louisville Gas and Electric Company
Summary of Utility Plant - Reserve for Depreciation of Utility Plant
 May 31, 2009

	Beginning Balance	Accruals	Retirements	Transfers/ Adjustments	RWIP Transfers Out	Cost of Removal	Salvage	Other Credits	Ending Balance
Salvage									
Common General Plant	301,592.06	5,790.38	-	-	-	-	-	-	307,382.44
Electric Distribution	15,611,295.13	515,098.56	-	-	-	-	-	-	16,126,393.69
Electric General Plant	132,019.58	2,678.42	-	-	-	-	-	-	134,698.00
Electric Hydro Production	433,316.55	-	-	-	-	-	(56,678.38)	-	376,638.17
Electric Other Production	2,644.83	-	-	-	-	-	(21,643.50)	-	(18,998.67)
Electric Steam Production	18,799,865.84	833,973.75	-	-	-	-	(430,232.93)	-	19,203,606.66
Electric Transmission	5,876,238.22	98,766.73	-	-	-	-	-	-	5,975,004.95
Gas Distribution	3,219,085.53	82,149.95	-	-	-	-	-	-	3,301,235.48
Gas General Plant	220,201.71	2,512.47	-	-	-	-	-	-	222,714.18
Gas Storage	236,769.87	6,217.49	-	-	-	-	-	-	242,987.36
Gas Stored Nonrecoverable	-	-	-	-	-	-	-	-	-
Gas Transmission	208,728.61	1,907.28	-	-	-	-	-	-	210,635.89
Non Utility Property	-	-	-	-	-	-	-	-	-
	45,041,757.93	1,549,095.03	-	-	-	-	(508,554.81)	-	46,082,298.15
Total Reserves									
Common	(68,347,826.81)	(5,145,728.50)	1,522,848.02	-	-	92,477.44	-	-	(71,878,229.85)
Electric	(1,647,424,513.80)	(41,907,594.94)	6,532,934.68	(34.23)	-	2,842,495.10	(508,554.81)	(23,204.90)	(1,680,488,472.90)
Gas	(223,486,123.70)	(6,148,696.66)	201,588.42	-	-	74,038.86	-	-	(229,359,193.08)
	(1,939,258,464.31)	(53,202,020.10)	8,257,371.12	(34.23)	-	3,009,011.40	(508,554.81)	(23,204.90)	(1,981,725,895.83)
Retirement Work in Progress									
Common	(9,092,255.82)	-	-	-	(92,477.44)	101,863.78	(32,707.00)	(70,400.00)	(9,185,976.48)
Electric	28,458,992.95	-	-	-	(2,310,735.39)	4,883,722.08	(239,434.39)	(297,025.66)	30,495,519.59
Gas	4,095,496.74	-	-	-	(74,038.86)	277,541.56	(613.20)	0.00	4,298,386.24
	23,462,233.87	-	-	-	(2,477,251.69)	5,263,127.42	(272,754.59)	(367,425.66)	25,607,929.35
YTD ACTIVITY	(1,915,796,230.44)	(53,202,020.10)	8,257,371.12	(34.23)	(2,477,251.69)	8,272,138.82	(781,309.40)	(390,630.56)	(1,956,117,966.48)
Amortization									
Common	(23,433,131.46)	(2,888,101.75)	5,949,116.63	-	-	-	-	-	(20,372,116.58)
Electric	(100.00)	-	-	-	-	-	-	-	(100.00)
Gas	(800.00)	-	-	-	-	-	-	-	(800.00)
AMORTIZATION TOTAL	(23,434,031.46)	(2,888,101.75)	5,949,116.63	-	-	-	-	-	(20,373,016.58)
Depreciation & Amortization Total	(1,939,230,261.90)	(56,090,121.85)	14,206,487.75	(34.23)	(2,477,251.69)	8,272,138.82	(781,309.40)	(390,630.56)	(1,976,490,983.06)
Depr & Amort - Nonutility for Balance Sheet									
Utility Plant at Original Cost Less Reserve for Depreciation & Amortization (Excl nonutility)	2,567,298,455.89								2,583,244,335.85

June 19, 2009