



an *e-on* company

Elizabeth O'Donnell, Executive Director
Public Service Commission of Kentucky
Attention: Mr. Daryl Newby
211 Sower Boulevard
P.O. Box 615
Frankfort, Kentucky 40602

February 22, 2008

Dear Ms. O'Donnell:

In compliance with 807 KAR 5:056, Kentucky Utilities Company herewith files its monthly fuel adjustment factor applicable to billings under retail rates during the March, 2008 billing cycle which begins March 4, 2008.

The necessary supporting data to justify the amount of the adjustment is included. Please contact me if you have any questions about this filing.

Sincerely,

A handwritten signature in black ink, appearing to read 'R. M. Conroy', with a long horizontal line extending to the right.

Robert M. Conroy

Enclosure

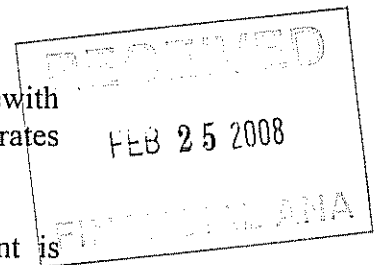
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FEB 22 2008

PUBLIC SERVICE
COMMISSION

Kentucky Utilities Company
State Regulation and Rates
220 West Main Street
PO Box 32010
Louisville, Kentucky 40232
www.eon-us.com

Robert M. Conroy
Manager - Rates
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KENTUCKY UTILITIES COMPANY
FUEL ADJUSTMENT CLAUSE SCHEDULE

Expense Month : January 2008


$$\frac{\text{Fuel "Fm" (Fuel Cost Schedule)} \quad \$54,852,174}{\text{Sales "Sm" (Sales Schedule)} \quad 2,125,325,726 \quad \text{KWH}} = (+) \$ 0.02581 / \text{KWH}$$

Per PSC approved Tariff Sheet No. 70 effective December 3, 2007 = (-) \$ 0.02591 / KWH

$$\text{FAC Factor (1)} = \underline{\underline{\$ (0.00010) / \text{KWH}}}$$

Note: (1) Five decimal places in dollars for normal rounding.

Effective Date for Billing: March 4, 2008

Submitted by 

Title: Manager, Rates

**KENTUCKY UTILITIES COMPANY
FUEL COST SCHEDULE**

Expense Month : January 2008

(A)	<u>Company Generation</u>		
	Coal Burned	(+)	\$ 38,909,237
	Oil Burned	(+)	504,568
	Gas Burned	(+)	3,883,790
	Fuel (assigned cost during Forced Outage)	(+)	1,217,451
	Fuel (substitute cost for Forced Outage)	(-)	849,101
	SUB-TOTAL		\$ 43,665,945
(B)	<u>Purchases</u>		
	Net energy cost - economy purchases	(+)	\$ 6,034,030
	Identifiable fuel cost - other purchases	(+)	-
	Identifiable fuel cost (substitute for Forced Outage)	(-)	1,077,666
	Less Purchases above Highest Cost Units	(-)	-
	Internal Economy	(+)	10,770,545
	Internal Replacement	(+)	-
	SUB-TOTAL		\$ 15,726,909
(C)	<u>Inter-System Sales</u>		
	Including Interchange-out	(+)	\$ 276,077
	Internal Economy	(+)	-
	Internal Replacement	(+)	5,190,355
	Dollars Assigned to Inter-System Sales Losses	(+)	2,761
	SUB-TOTAL		\$ 5,469,193
(D)	<u>Over or (Under) Recovery</u>		
	From Page 5, Line 15		\$ 3,246,285
	TOTAL FUEL RECOVERY (A+B-C-D) =		\$ 50,677,376
(E)	Additional (Under) Recovery -- December 2007 -- Note 1		\$ (4,174,798)
	TOTAL FUEL RECOVERY (Adjusted)		\$ 54,852,174

Note 1:

As communicated in the KU November 2007 expense month filing made on December 21, 2007, it was discovered that the revised base fuel factor was used to calculate the October FAC billing factor. By agreement on January 30, 2008, KU agreed to adjust the December, January and February expense month filings each for one-third of the Total Company under-recovered amount rather than include the entire balance in the December filing.

KENTUCKY UTILITIES COMPANY

SALES SCHEDULE (KWH)

Expense Month : January 2008

(A) Generation (Net)	(+)	1,751,583,000
Purchases including interchange-in	(+)	174,954,000
Internal Economy	(+)	541,939,000
Internal Replacement	(+)	-
SUB-TOTAL		<u>2,468,476,000</u>

(B) Inter-system Sales including interchange-out	(+)	10,978,000
Internal Economy	(+)	-
Internal Replacement	(+)	202,531,000
(*) System Losses	(+)	129,641,274
SUB-TOTAL		<u>343,150,274</u>

TOTAL SALES (A-B) 2,125,325,726

(*) Note: See Page 4 of 6, "Adjustment of rolling 12-MTD average overall system losses to reflect losses

KENTUCKY UTILITIES COMPANY

**ADJUSTMENT OF ROLLING 12-MTD AVERAGE OVERALL SYSTEM
LOSSES TO REFLECT LOSSES AT RETAIL LEVEL**

Expense Month : January 2008

12 Months to Date KWH Sources: 24,663,239,000 KWH
 12 MTD Overall System Losses: 1,295,282,551 KWH
 January 2008 KWH Sources: 2,468,476,000 KWH

$$1,295,282,551 / 24,663,239,000 = 5.251875\%$$

$$5.251875\% \times 2,468,476,000 = 129,641,274 \text{ KWH}$$

WHOLESALE KWH SALES AND LOSSES

246,441,305 Wholesale Sales & Deliveries to ODP at Transmission Voltage (WS-T)
 54,161,200 Wholesale sales at Primary Voltage (WS-P)
 213,509,000 Intersystem Sales at Transmission Voltage (IS-T)

	<u>Wholesale Sales\Deliveries</u>	<u>Loss Percentage</u>	<u>Losses</u>	<u>Wholesale Sources</u>
WS-T:	246,441,305	3.1%	7,884,087	254,325,392
WS-P:	54,161,200	3.1% & 0.7%	2,126,727	56,287,927
IS-T:	213,509,000	1.0%	2,156,657	215,665,657

KENTUCKY UTILITIES COMPANY
FUEL ADJUSTMENT CLAUSE
OVER OR (UNDER) RECOVERY SCHEDULE

Expense Month : January 2008

1	Last FAC Rate Billed		<u>\$0.00795</u>
2	KWH Billed at Above Rate		<u>1,770,878,690</u>
3	FAC Revenue/(Refund)	(Line 1 x Line 2)	<u>\$ 14,078,486</u>
4	KWH Used to Determine Last FAC Rate		<u>1,651,783,213</u>
5	Non-Jurisdictional KWH (Included in Line 4)		<u>234,626,481</u>
6	Kentucky Jurisdictional KWH	(Line 4 - Line 5)	<u>1,417,156,732</u>
7	Revised FAC Rate Billed, if prior period adjustment is needed (See Note 1)		<u>\$0.00797</u>
8	Recoverable FAC Revenue/(Refund)	(Line 7 x Line 6)	<u>\$ 11,294,739</u>
9	Over or (Under) Recovery	(Line 3 - Line 8)	<u>\$ 2,783,747</u>
10	Total Sales "Sm" (From Page 3 of 6)		<u>2,125,325,726</u>
11	Kentucky Jurisdictional Sales		<u>1,822,504,562</u>
12	Total Sales Divided by Kentucky Jurisdictional Sales(Line 10 / Line 11)		<u>1.1661566</u>
13	Total Company Over or (Under) Recovery	(Line 9 x Line 12)	<u>\$ 3,246,285</u>
			To Page 2, Line D

Note 1: November fuel expense was increased as a result of the 2006 Mine Safety Act. This adjustment to November fuel expense results in a calculated billing factor of \$0.00797/kWh. Please see Exhibit 1.

**FUEL ADJUSTMENT CLAUSE
INTERCOMPANY TRANSACTIONS**
Expense Month : January 2008

KENTUCKY UTILITIES COMPANY

		KWH	
Purchases			
Internal Economy	\$ 9,765,270.15	541,939,000	Fuel for LGE Sale to KU for Native Load
	1,005,274.97		Half of Split Savings to LGE from KU
	<u>\$ 10,770,545.12</u>	<u>541,939,000</u>	
Internal Replacement	\$ -	0	Freed-up LGE Generation sold back to KU
	-	0	LGE Generation for KU Pre-Merger Sales
	<u>\$ -</u>	<u>0</u>	
Total Purchases	<u>\$ 10,770,545.12</u>	<u>541,939,000</u>	
Sales			
Internal Economy	\$ -	0	KU Fuel Cost - Sales to LGE Native Load
	-		Half of Split Savings
	<u>\$ -</u>	<u>0</u>	
Internal Replacement	\$ 5,190,355.07	202,531,000	Freed-up KU Generation sold back to LGE
	-	0	KU Generation for LGE Pre-Merger
	-	0	KU Generation for LGE IB
	<u>\$ 5,190,355.07</u>	<u>202,531,000</u>	
Total Sales	<u>\$ 5,190,355.07</u>	<u>202,531,000</u>	

LOUISVILLE GAS AND ELECTRIC COMPANY

		KWH	
Purchases			
Internal Economy	\$ -	0	KU Fuel Cost - Sales to LGE Native Load
	-		Half of Split Savings
	<u>\$ -</u>	<u>0</u>	
Internal Replacement	\$ 5,190,355.07	202,531,000	Freed-up KU Generation sold back to LGE
	-	0	KU Generation for LGE Pre-Merger
	-	0	KU Generation for LGE IB
	<u>\$ 5,190,355.07</u>	<u>202,531,000</u>	
Total Purchases	<u>\$ 5,190,355.07</u>	<u>202,531,000</u>	
Sales			
Internal Economy	\$ 9,765,270.15	541,939,000	Fuel for LGE Sale to KU for Native Load
	1,005,274.97		Half of Split Savings to LGE from KU
	<u>\$ 10,770,545.12</u>	<u>541,939,000</u>	
Internal Replacement	\$ -	0	Freed-up LGE Generation sold back to KU
	-	0	LGE Generation for KU Pre-Merger Sales
	<u>\$ -</u>	<u>0</u>	
Total Sales	<u>\$ 10,770,545.12</u>	<u>541,939,000</u>	

Exhibit 1

FAC Adjustment due to Mine Safety Accruals

Calculate retail under-collection for November:	Kentucky Utilities Company		
	As Filed	Revised	Difference
Fuel Expense, F(m)	\$ 43,023,518	\$ 43,064,195	\$ 40,677
Sales, S(m)	1,651,783,213	1,651,783,213	
Fuel expense per kWh	0.02605	0.02607	0.00002
Fuel factor billed in January	0.00795	0.00797	0.00002
January sales, kWh	1,770,878,690	1,770,878,690	
FAC Revenue	14,078,485.59	14,078,485.59	
KWH Used to Determine Last FAC Rate	1,651,783,213	1,651,783,213	
Non-Jurisdictional KWH (Included in Line 4)	234,626,481	234,626,481	
Kentucky Jurisdictional KWH	1,417,156,732	1,417,156,732	
Recoverable FAC Revenue/(Refund)	11,266,396	11,294,739	28,343
Over or (Under) Recovery	2,812,090	2,783,746	(28,343)
Total Sales "Sm" (From Page 3 of 6)	2,125,325,726	2,125,325,726	
Kentucky Jurisdictional Sales	1,822,504,562	1,822,504,562	
Total Sales Divided by Kentucky Jurisdictional Sales	1.166156601	1.166156601	
Total Company Over or (Under) Recovery	3,279,337	3,246,284	(33,053) *

* Include as addition to December expense month over/under recovery

KENTUCKY UTILITIES COMPANY
FUEL ADJUSTMENT CLAUSE SCHEDULE

Expense Month : November 2007 as Revised February 22, 2008

$$\frac{\text{Fuel "Fm" (Fuel Cost Schedule)}}{\text{Sales "Sm" (Sales Schedule)}} = \frac{\$43,064,195}{1,651,783,213 \text{ KWH}} = (+) \$ 0.02607 / \text{KWH}$$

Per PSC approved Tariff Sheet No. 70 effective December 3, 2007 = (-) \$ 0.01810 / KWH

$$\text{FAC Factor (1)} = \underline{\underline{\$ 0.00797 / \text{KWH}}}$$

Note: (1) Five decimal places in dollars for normal rounding.

Effective Date for Billing: March 4, 2008

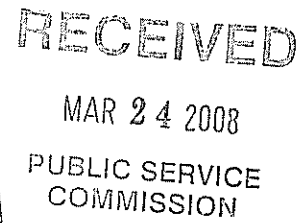
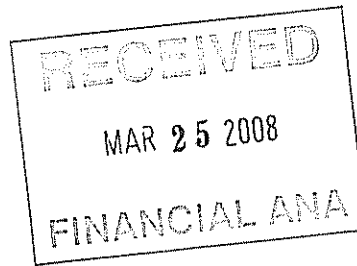
Submitted by _____

Title: Manager, Rates

KENTUCKY UTILITIES COMPANY FUEL COST SCHEDULE

Expense Month : November 2007 as Revised February 22, 2008

(A) <u>Company Generation</u>	
Coal Burned	(+) \$ 29,818,399
Oil Burned	(+) 717,170
Gas Burned	(+) 2,193,580
Fuel (assigned cost during Forced Outage)	(+) 2,229,323
Fuel (substitute cost for Forced Outage)	(-) 1,930,237
SUB-TOTAL	\$ 33,028,235
(B) <u>Purchases</u>	
Net energy cost - economy purchases	(+) \$ 5,469,389
Identifiable fuel cost - other purchases	(+) -
Identifiable fuel cost (substitute for Forced Outage)	(-) 562,467
Less Purchases above Highest Cost Units	(-) -
Internal Economy	(+) 6,664,636
Internal Replacement	(+) 32,062
SUB-TOTAL	\$ 11,603,620
(C) <u>Inter-System Sales</u>	
Including Interchange-out	(+) \$ 509,777
Internal Economy	(+) 190,520
Internal Replacement	(+) 2,452,400
Dollars Assigned to Inter-System Sales Losses	(+) 5,098
SUB-TOTAL	\$ 3,157,795
(D) <u>Over or (Under) Recovery</u>	
From Page 5, Line 13	\$ (1,590,135)
TOTAL FUEL RECOVERY (A+B-C-D) =	\$ 43,064,195



Stephanie L. Stumbo, Executive Director
Kentucky Public Service Commission
Attention: Daryl Newby
211 Sower Boulevard
P. O. Box 615
Frankfort, Kentucky 40602-0615

Kentucky Utilities Company
State Regulation and Rates
220 West Main Street
PO Box 32010
Louisville, Kentucky 40232
www.eon-us.com

Robert M. Conroy
Director - Rates
T 502-627-3324
F 502-627-3213
robert.conroy@eon-us.com

March 24, 2008

Dear Ms. Stumbo:

In compliance with 807 KAR 5:056, Kentucky Utilities Company herewith files its monthly fuel adjustment factor applicable to billings under retail rates during the April 2008 billing cycle which begins April 3, 2008.

The necessary supporting data to justify the amount of the adjustment is included. Please contact me if you have any questions about this filing.

Sincerely,

Robert M. Conroy

Enclosure

KENTUCKY UTILITIES COMPANY
FUEL ADJUSTMENT CLAUSE SCHEDULE

Expense Month : February 2008

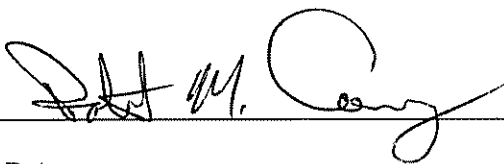
$$\frac{\text{Fuel "Fm" (Fuel Cost Schedule)}}{\text{Sales "Sm" (Sales Schedule)}} = \frac{\$58,311,365}{1,892,332,279 \text{ KWH}} = (+) \$ 0.03081 / \text{KWH}$$

Per PSC approved Tariff Sheet No. 70 effective December 3, 2007 = (-) \$ 0.02591 / KWH

$$\text{FAC Factor (1)} = \underline{\underline{\$ 0.00490 / \text{KWH}}}$$

Note: (1) Five decimal places in dollars for normal rounding.

Effective Date for Billing: April 3, 2008

Submitted by 
Title: Director, Rates

**KENTUCKY UTILITIES COMPANY
FUEL COST SCHEDULE**

Expense Month : February 2008

<u>(A) Company Generation</u>	
Coal Burned	(+) \$ 35,564,954
Oil Burned	(+) 462,063
Gas Burned	(+) 4,542,631
Fuel (assigned cost during Forced Outage)	(+) 2,433,852
Fuel (substitute cost for Forced Outage)	(-) <u>2,164,002</u>
SUB-TOTAL	\$ 40,839,498
<u>(B) Purchases</u>	
Net energy cost - economy purchases	(+) \$ 9,901,640
Identifiable fuel cost - other purchases	(+) -
Identifiable fuel cost (substitute for Forced Outage)	(-) 1,544,473
Less Purchases above Highest Cost Units	(-) 2,357
Internal Economy	(+) 7,524,983
Internal Replacement	(+) <u>431</u>
SUB-TOTAL	\$ 15,880,224
<u>(C) Inter-System Sales</u>	
Including Interchange-out	(+) \$ 29,406
Internal Economy	(+) -
Internal Replacement	(+) 2,358,094
Dollars Assigned to Inter-System Sales Losses	(+) <u>294</u>
SUB-TOTAL	\$ 2,387,794
<u>(D) Over or (Under) Recovery</u>	
From Page 5, Line 15	\$ <u>195,361</u>
TOTAL FUEL RECOVERY (A+B-C-D) =	\$ 54,136,567
<u>(E) Additional (Under) Recovery -- December 2007 -- Note 1</u>	\$ (4,174,798)

TOTAL FUEL RECOVERY (Adjusted) \$ 58,311,365

Note 1:

As communicated in the KU November 2007 expense month filing made on December 21, 2007, it was discovered that the revised base fuel factor was used to calculate the October FAC billing factor. By agreement on January 30, 2008, KU agreed to adjust the December, January and February expense filings each for one-third of the Total Company under-recovered amount rather than include the entire balance in the December filing.

KENTUCKY UTILITIES COMPANY

SALES SCHEDULE (KWH)

Expense Month : February 2008

(A) Generation (Net)	(+)	1,478,846,000
Purchases including interchange-in	(+)	252,943,000
Internal Economy	(+)	359,429,000
Internal Replacement	(+)	5,000
SUB-TOTAL		<u>2,091,223,000</u>
(B) Inter-system Sales including interchange-out	(+)	1,118,000
Internal Economy	(+)	-
Internal Replacement	(+)	90,222,000
(*) System Losses	(+)	107,550,721
SUB-TOTAL		<u>198,890,721</u>
TOTAL SALES (A-B)		<u>1,892,332,279</u>

(*) Note: See Page 4 of 6, "Adjustment of rolling 12-MTD average overall system losses to reflect losses

KENTUCKY UTILITIES COMPANY

**ADJUSTMENT OF ROLLING 12-MTD AVERAGE OVERALL SYSTEM
LOSSES TO REFLECT LOSSES AT RETAIL LEVEL**

Expense Month : February 2008

12 Months to Date KWH Sources: 24,465,917,000 KWH
 12 MTD Overall System Losses: 1,258,271,880 KWH
 February 2008 KWH Sources: 2,091,223,000 KWH

$$1,258,271,880 / 24,465,917,000 = 5.142958\%$$

$$5.142958\% \times 2,091,223,000 = 107,550,721 \text{ KWH}$$

WHOLESALE KWH SALES AND LOSSES

215,308,333 Wholesale Sales & Deliveries to ODP at Transmission Voltage (WS-T)
 49,750,400 Wholesale sales at Primary Voltage (WS-P)
 91,340,000 Intersystem Sales at Transmission Voltage (IS-T)

	<u>Wholesale Sales\Deliveries</u>	<u>Loss Percentage</u>	<u>Losses</u>	<u>Wholesale Sources</u>
WS-T:	215,308,333	3.1%	6,888,089	222,196,422
WS-P:	49,750,400	3.1% & 0.7%	1,953,530	51,703,930
IS-T:	91,340,000	1.0%	922,626	92,262,626

KENTUCKY UTILITIES COMPANY
FUEL ADJUSTMENT CLAUSE
OVER OR (UNDER) RECOVERY SCHEDULE

Expense Month : February 2008

1.	Last FAC Rate Billed		<u>\$0.00126</u>
2.	KWH Billed at Above Rate		<u>1,700,957,880</u>
3.	FAC Revenue/(Refund)	(Line 1 x Line 2)	<u>\$ 2,143,207</u>
4.	KWH Used to Determine Last FAC Rate		<u>1,829,213,676</u>
5.	Non-Jurisdictional KWH (Included in Line 4)		<u>261,397,016</u>
6.	Kentucky Jurisdictional KWH	(Line 4 - Line 5)	<u>1,567,816,660</u>
7.	Revised FAC Rate Billed, if prior period adjustment is needed (See Note 1)		<u>\$0.00000</u>
8.	Recoverable FAC Revenue/(Refund)	(Line 1 x Line 6)	<u>\$ 1,975,449</u>
9.	Over or (Under) Recovery	(Line 3 - Line 8)	<u>\$ 167,758</u>
10.	Total Sales "Sm" (From Page 3 of 6)		<u>1,892,332,279</u>
11.	Kentucky Jurisdictional Sales		<u>1,624,959,362</u>
12.	Total Sales Divided by Kentucky Jurisdictional Sales(Line 10 / Line 11)		<u>1.16454129</u>
13.	Total Company Over or (Under) Recovery	(Line 9 x Line 12)	<u>\$ 195,361</u>
			To Page 2, Line D

Note 1:

**FUEL ADJUSTMENT CLAUSE
INTERCOMPANY TRANSACTIONS**
Expense Month : February 2008

KENTUCKY UTILITIES COMPANY

Purchases		KWH	
Internal Economy	\$ 7,073,607.83	359,429,000	Fuel for LGE Sale to KU for Native Load
	451,374.89		Half of Split Savings to LGE from KU
	<u>\$ 7,524,982.72</u>	<u>359,429,000</u>	
Internal Replacement	\$ -	0	Freed-up LGE Generation sold back to KU
	430.98	5,000	LGE Generation for KU Pre-Merger Sales
	<u>\$ 430.98</u>	<u>5,000</u>	
Total Purchases	<u>\$ 7,525,413.70</u>	<u>359,434,000</u>	
Sales			
Internal Economy	\$ -	0	KU Fuel Cost - Sales to LGE Native Load
	-	-	Half of Split Savings
	<u>\$ -</u>	<u>0</u>	
Internal Replacement	\$ 2,358,094.19	90,222,000	Freed-up KU Generation sold back to LGE
	-	0	KU Generation for LGE Pre-Merger
	-	0	KU Generation for LGE IB
	<u>\$ 2,358,094.19</u>	<u>90,222,000</u>	
Total Sales	<u>\$ 2,358,094.19</u>	<u>90,222,000</u>	

LOUISVILLE GAS AND ELECTRIC COMPANY

Purchases		KWH	
Internal Economy	\$ -	0	KU Fuel Cost - Sales to LGE Native Load
	-	-	Half of Split Savings
	<u>\$ -</u>	<u>0</u>	
Internal Replacement	\$ 2,358,094.19	90,222,000	Freed-up KU Generation sold back to LGE
	-	0	KU Generation for LGE Pre-Merger
	-	0	KU Generation for LGE IB
	<u>\$ 2,358,094.19</u>	<u>90,222,000</u>	
Total Purchases	<u>\$ 2,358,094.19</u>	<u>90,222,000</u>	
Sales			
Internal Economy	\$ 7,073,607.83	359,429,000	Fuel for LGE Sale to KU for Native Load
	451,374.89		Half of Split Savings to LGE from KU
	<u>\$ 7,524,982.72</u>	<u>359,429,000</u>	
Internal Replacement	\$ -	0	Freed-up LGE Generation sold back to KU
	430.98	5,000	LGE Generation for KU Pre-Merger Sales
	<u>\$ 430.98</u>	<u>5,000</u>	
Total Sales	<u>\$ 7,525,413.70</u>	<u>359,434,000</u>	



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RECEIVED FINANCIAL ANA

Stephanie L. Stumbo, Executive Director
Public Service Commission of Kentucky
Attention: Mr. Daryl Newby
211 Sower Boulevard
P.O. Box 615
Frankfort, Kentucky 40602

APR 22 2008
**PUBLIC SERVICE
COMMISSION**

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Robert M. Conroy
Director - Rates
T 502-627-3324
F 502-627-3213
robert.conroy@eon-us.com

April 22, 2008

Dear Ms. Stumbo:

In compliance with 807 KAR 5:056, Kentucky Utilities Company herewith files its monthly fuel adjustment factor applicable to billings under retail rates during the May 2008 billing cycle which begins May 2, 2008.

The necessary supporting data to justify the amount of the adjustment is included. Please contact me if you have any questions about this filing.

Sincerely,

Robert M. Conroy

Enclosure

KENTUCKY UTILITIES COMPANY
FUEL ADJUSTMENT CLAUSE SCHEDULE

Expense Month : March 2008

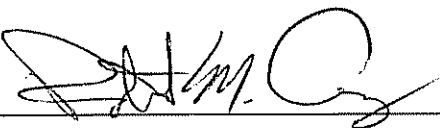
$$\frac{\text{Fuel "Fm" (Fuel Cost Schedule)}}{\text{Sales "Sm" (Sales Schedule)}} = \frac{\$47,352,650}{1,784,400,888 \text{ KWH}} = (+) \$ 0.02654 / \text{KWH}$$

Per PSC approved Tariff Sheet No. 70 effective December 3, 2007 = (-) \$ 0.02591 / KWH

$$\text{FAC Factor (1)} = \underline{\underline{\$ 0.00063 / \text{KWH}}}$$

Note: (1) Five decimal places in dollars for normal rounding.

Effective Date for Billing: May 2, 2008

Submitted by  _____

Title: Director, Rates

KENTUCKY UTILITIES COMPANY FUEL COST SCHEDULE

Expense Month : March 2008

(A) <u>Company Generation</u>		
Coal Burned	(+) \$	34,404,635
Oil Burned	(+)	659,467
Gas Burned	(+)	2,879,650
Fuel (assigned cost during Forced Outage)	(+)	1,730,538
Fuel (substitute cost for Forced Outage)	(-)	<u>1,000,205</u>
SUB-TOTAL	\$	38,674,085
(B) <u>Purchases</u>		
Net energy cost - economy purchases	(+) \$	7,967,768
Identifiable fuel cost - other purchases	(+)	-
Identifiable fuel cost (substitute for Forced Outage)	(-)	1,579,697
Less Purchases above Highest Cost Units	(-)	5,751
Internal Economy	(+)	8,474,004
Internal Replacement	(+)	<u>80,452</u>
SUB-TOTAL	\$	14,936,776
(C) <u>Inter-System Sales</u>		
Including Interchange-out	(+) \$	1,404,820
Internal Economy	(+)	66,089
Internal Replacement	(+)	4,747,626
Dollars Assigned to Inter-System Sales Losses	(+)	<u>14,048</u>
SUB-TOTAL	\$	6,232,583
(D) <u>Over or (Under) Recovery</u>		
From Page 5, Line 13	\$	<u>25,628</u>
TOTAL FUEL RECOVERY (A+B-C-D) =	\$	47,352,650

KENTUCKY UTILITIES COMPANY

SALES SCHEDULE (KWH)

Expense Month : March 2008

(A) Generation (Net)	(+)	1,547,449,000
Purchases including interchange-in	(+)	127,466,000
Internal Economy	(+)	399,298,000
Internal Replacement	(+)	<u>2,067,000</u>
SUB-TOTAL		<u>2,076,280,000</u>
(B) Inter-system Sales including interchange-out	(+)	33,787,000
Internal Economy	(+)	1,444,000
Internal Replacement	(+)	148,525,000
(*) System Losses	(+)	<u>108,123,112</u>
SUB-TOTAL		<u>291,879,112</u>
TOTAL SALES (A-B)		<u><u>1,784,400,888</u></u>

(*) Note: See Page 4 of 6, "Adjustment of rolling 12-MTD average overall system losses to reflect losses

KENTUCKY UTILITIES COMPANY

**ADJUSTMENT OF ROLLING 12-MTD AVERAGE OVERALL SYSTEM
LOSSES TO REFLECT LOSSES AT RETAIL LEVEL**

Expense Month : March 2008

12 Months to Date KWH Sources: 24,599,191,000 KWH
 12 MTD Overall System Losses: 1,281,012,785 KWH
 March 2008 KWH Sources: 2,076,280,000 KWH

$$1,281,012,785 / 24,599,191,000 = 5.207540\%$$

$$5.207540\% \times 2,076,280,000 = 108,123,112 \text{ KWH}$$

WHOLESALE KWH SALES AND LOSSES

203,164,192 Wholesale Sales & Deliveries to ODP at Transmission Voltage (WS-T)
 44,660,400 Wholesale sales at Primary Voltage (WS-P)
 183,756,000 Intersystem Sales at Transmission Voltage (IS-T)

	<u>Wholesale Sales\Deliveries</u>	<u>Loss Percentage</u>	<u>Losses</u>	<u>Wholesale Sources</u>
WS-T:	203,164,192	3.1%	6,499,577	209,663,769
WS-P:	44,660,400	3.1% & 0.7%	1,753,663	46,414,063
IS-T:	183,756,000	1.0%	1,856,121	185,612,121

KENTUCKY UTILITIES COMPANY
FUEL ADJUSTMENT CLAUSE
OVER OR (UNDER) RECOVERY SCHEDULE

Expense Month : March 2008

1.	Last FAC Rate Billed		<u>(\$0.00010)</u>
2.	KWH Billed at Above Rate		<u>1,602,170,807</u>
3.	FAC Revenue/(Refund)	(Line 1 x Line 2)	<u>\$ (160,217)</u>
4.	KWH Used to Determine Last FAC Rate		<u>2,125,325,726</u>
5.	Non-Jurisdictional KWH (Included in Line 4)		<u>302,821,164</u>
6.	Kentucky Jurisdictional KWH	(Line 4 - Line 5)	<u>1,822,504,562</u>
7.	Revised FAC Rate Billed, if prior period adjustment is needed (See Note 1)		<u>\$0.00000</u>
8.	Recoverable FAC Revenue/(Refund)	(Line 1 x Line 6)	<u>\$ (182,250)</u>
9.	Over or (Under) Recovery	(Line 3 - Line 8)	<u>\$ 22,033</u>
10.	Total Sales "Sm" (From Page 3 of 6)		<u>1,784,400,888</u>
11.	Kentucky Jurisdictional Sales		<u>1,534,085,491</u>
12.	Total Sales Divided by Kentucky Jurisdictional Sales(Line 10 / Line 11)		<u>1.16316913</u>
13.	Total Company Over or (Under) Recovery	(Line 9 x Line 12)	<u>\$ 25,628</u>
			To Page 2, Line D

Note 1:

**FUEL ADJUSTMENT CLAUSE
INTERCOMPANY TRANSACTIONS**
Expense Month : March 2008

KENTUCKY UTILITIES COMPANY

Purchases		KWH	
Internal Economy			
	\$ 7,106,079.82	399,298,000	Fuel for LGE Sale to KU for Native Load
	1,367,924.34		Half of Split Savings to LGE from KU
	<u>\$ 8,474,004.16</u>	<u>399,298,000</u>	
Internal Replacement			
	\$ 32,953.65	399,000	Freed-up LGE Generation sold back to KU
	47,498.24	1,668,000	LGE Generation for KU Pre-Merger Sales
	<u>\$ 80,451.89</u>	<u>2,067,000</u>	
Total Purchases	<u>\$ 8,554,456.05</u>	<u>401,365,000</u>	
Sales			
Internal Economy			
	\$ 54,917.53	1,444,000	KU Fuel Cost - Sales to LGE Native Load
	11,171.83		Half of Split Savings
	<u>\$ 66,089.36</u>	<u>1,444,000</u>	
Internal Replacement			
	\$ 4,747,626.07	148,525,000	Freed-up KU Generation sold back to LGE
	-	0	KU Generation for LGE Pre-Merger
	-	0	KU Generation for LGE IB
	<u>\$ 4,747,626.07</u>	<u>148,525,000</u>	
Total Sales	<u>\$ 4,813,715.43</u>	<u>149,969,000</u>	

LOUISVILLE GAS AND ELECTRIC COMPANY

Purchases		KWH	
Internal Economy			
	\$ 54,917.53	1,444,000	KU Fuel Cost - Sales to LGE Native Load
	11,171.83		Half of Split Savings
	<u>\$ 66,089.36</u>	<u>1,444,000</u>	
Internal Replacement			
	\$ 4,747,626.07	148,525,000	Freed-up KU Generation sold back to LGE
	-	0	KU Generation for LGE Pre-Merger
	-	0	KU Generation for LGE IB
	<u>\$ 4,747,626.07</u>	<u>148,525,000</u>	
Total Purchases	<u>\$ 4,813,715.43</u>	<u>149,969,000</u>	
Sales			
Internal Economy			
	\$ 7,106,079.82	399,298,000	Fuel for LGE Sale to KU for Native Load
	1,367,924.34		Half of Split Savings to LGE from KU
	<u>\$ 8,474,004.16</u>	<u>399,298,000</u>	
Internal Replacement			
	\$ 32,953.65	399,000	Freed-up LGE Generation sold back to KU
	47,498.24	1,668,000	LGE Generation for KU Pre-Merger Sales
	<u>\$ 80,451.89</u>	<u>2,067,000</u>	
Total Sales	<u>\$ 8,554,456.05</u>	<u>401,365,000</u>	



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Stephanie L. Stumbo, Executive Director
Public Service Commission of Kentucky
Attention: Mr. Daryl Newby
211 Sower Boulevard
P.O. Box 615
Frankfort, Kentucky 40602

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MAY 23 2008
**PUBLIC SERVICE
COMMISSION**

Kentucky Utilities Company
State Regulation and Rates
220 West Main Street
PO Box 32010
Louisville, Kentucky 40232
www.eon-us.com

Robert M. Conroy
Director - Rates
T 502-627-3324
F 502-627-3213
robert.conroy@eon-us.com

May 23, 2008

Dear Ms. Stumbo:

In compliance with 807 KAR 5:056, Kentucky Utilities Company herewith files its monthly fuel adjustment factor applicable to billings under retail rates during the June 2008 billing cycle which begins June 3, 2008.

The necessary supporting data to justify the amount of the adjustment is included. Please contact me if you have any questions about this filing.

Sincerely,

Robert M. Conroy

Enclosure

KENTUCKY UTILITIES COMPANY
FUEL ADJUSTMENT CLAUSE SCHEDULE

Expense Month : April 2008

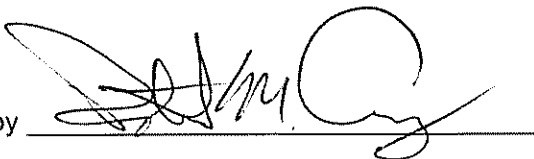
$$\frac{\text{Fuel "Fm" (Fuel Cost Schedule)} \quad \$40,997,982}{\text{Sales "Sm" (Sales Schedule)} \quad 1,529,007,187 \quad \text{KWH}} = (+) \$ 0.02681 / \text{KWH}$$

Per PSC approved Tariff Sheet No. 70 effective December 3, 2007. = (-) \$ 0.02591 / KWH

$$\text{FAC Factor (1)} = \underline{\underline{\$ 0.00090 / \text{KWH}}}$$

Note: (1) Five decimal places in dollars for normal rounding.

Effective Date for Billing: June 3, 2008

Submitted by 

Title: Director, Rates

KENTUCKY UTILITIES COMPANY FUEL COST SCHEDULE

Expense Month : April 2008

(A) <u>Company Generation</u>		
Coal Burned	(+) \$	30,292,459
Oil Burned	(+)	731,225
Gas Burned	(+)	515,145
Fuel (assigned cost during Forced Outage)	(+)	2,208,637
Fuel (substitute cost for Forced Outage)	(-)	<u>1,864,005</u>
SUB-TOTAL	\$	31,883,461
(B) <u>Purchases</u>		
Net energy cost - economy purchases	(+) \$	7,802,445
Identifiable fuel cost - other purchases	(+)	-
Identifiable fuel cost (substitute for Forced Outage)	(-)	2,165,095
Less Purchases above Highest Cost Units	(-)	-
Internal Economy	(+)	6,625,877
Internal Replacement	(+)	<u>41,906</u>
SUB-TOTAL	\$	12,305,133
(C) <u>Inter-System Sales</u>		
Including Interchange-out	(+) \$	1,490,007
Internal Economy	(+)	-
Internal Replacement	(+)	2,877,022
Dollars Assigned to Inter-System Sales Losses	(+)	<u>14,900</u>
SUB-TOTAL	\$	4,381,929
(D) <u>Over or (Under) Recovery</u>		
From Page 5, Line 13	\$	<u>(1,191,317)</u>
TOTAL FUEL RECOVERY (A+B-C-D) =	\$	40,997,982

KENTUCKY UTILITIES COMPANY

SALES SCHEDULE (KWH)

Expense Month : April 2008

(A) Generation (Net)	(+)	1,294,122,000
Purchases including interchange-in	(+)	112,911,000
Internal Economy	(+)	349,706,000
Internal Replacement	(+)	516,000
SUB-TOTAL		<u>1,757,255,000</u>
(B) Inter-system Sales including interchange-out	(+)	34,036,000
Internal Economy	(+)	-
Internal Replacement	(+)	104,301,000
(*) System Losses	(+)	89,910,813
SUB-TOTAL		<u>228,247,813</u>
TOTAL SALES (A-B)		<u>1,529,007,187</u>

(*) Note: See Page 4 of 6, "Adjustment of rolling 12-MTD average overall system losses to reflect losses

KENTUCKY UTILITIES COMPANY

**ADJUSTMENT OF ROLLING 12-MTD AVERAGE OVERALL SYSTEM
LOSSES TO REFLECT LOSSES AT RETAIL LEVEL**

Expense Month : April 2008

12 Months to Date KWH Sources: 24,596,985,000 KWH
 12 MTD Overall System Losses: 1,258,516,900 KWH
 April 2008 KWH Sources: 1,757,255,000 KWH

$$1,258,516,900 / 24,596,985,000 = 5.116549\%$$

$$5.116549\% \times 1,757,255,000 = 89,910,813 \text{ KWH}$$

WHOLESALE KWH SALES AND LOSSES

166,529,426 Wholesale Sales & Deliveries to ODP at Transmission Voltage (WS-T)
 43,787,600 Wholesale sales at Primary Voltage (WS-P)
 138,337,000 Intersystem Sales at Transmission Voltage (IS-T)

	Wholesale Sales\Deliveries	Loss Percentage	Losses	Wholesale Sources
WS-T:	166,529,426	3.1%	5,327,567	171,856,993
WS-P:	43,787,600	3.1% & 0.7%	1,719,391	45,506,991
IS-T:	138,337,000	1.0%	1,397,343	139,734,343

KENTUCKY UTILITIES COMPANY
FUEL ADJUSTMENT CLAUSE
OVER OR (UNDER) RECOVERY SCHEDULE

Expense Month : April 2008

1	Last FAC Rate Billed	<u>\$0.00490</u>
2	KWH Billed at Above Rate	<u>1,415,572,078</u>
3	FAC Revenue/(Refund) (Line 1 x Line 2)	<u>\$ 6,936,303</u>
4	KWH Used to Determine Last FAC Rate	<u>1,892,332,279</u>
5	Non-Jurisdictional KWH (Included in Line 4)	<u>267,372,917</u>
6	Kentucky Jurisdictional KWH (Line 4 - Line 5)	<u>1,624,959,362</u>
7	Revised FAC Rate Billed, if prior period adjustment is needed (See Note 1)	<u>\$0.00000</u>
8	Recoverable FAC Revenue/(Refund) (Line 1 x Line 6)	<u>\$ 7,962,301</u>
9	Over or (Under) Recovery (Line 3 - Line 8)	<u>\$ (1,025,998)</u>
10	Total Sales "Sm" (From Page 3 of 6)	<u>1,529,007,187</u>
11	Kentucky Jurisdictional Sales	<u>1,316,827,269</u>
12	Total Sales Divided by Kentucky Jurisdictional Sales(Line 10 / Line 11)	<u>1.16112965</u>
13	Total Company Over or (Under) Recovery (Line 9 x Line 12)	<u>\$ (1,191,317)</u>
		To Page 2, Line D

Note 1:

**FUEL ADJUSTMENT CLAUSE
INTERCOMPANY TRANSACTIONS**
Expense Month : April 2008

KENTUCKY UTILITIES COMPANY

		KWH	
Purchases			
Internal Economy			
	\$ 5,972,458.34	349,706,000	Fuel for LGE Sale to KU for Native Load
	653,418.45		Half of Split Savings to LGE from KU
	<u>\$ 6,625,876.79</u>	<u>349,706,000</u>	
Internal Replacement			
	\$ -	0	Freed-up LGE Generation sold back to KU
	41,905.81	516,000	LGE Generation for KU Pre-Merger Sales
	<u>\$ 41,905.81</u>	<u>516,000</u>	
Total Purchases	<u>\$ 6,667,782.60</u>	<u>350,222,000</u>	
Sales			
Internal Economy			
	\$ -	0	KU Fuel Cost - Sales to LGE Native Load
	-		Half of Split Savings
	<u>\$ -</u>	<u>0</u>	
Internal Replacement			
	\$ 2,877,022.18	104,301,000	Freed-up KU Generation sold back to LGE
	-	0	KU Generation for LGE Pre-Merger
	-	0	KU Generation for LGE IB
	<u>\$ 2,877,022.18</u>	<u>104,301,000</u>	
Total Sales	<u>\$ 2,877,022.18</u>	<u>104,301,000</u>	

LOUISVILLE GAS AND ELECTRIC COMPANY

		KWH	
Purchases			
Internal Economy			
	\$ -	0	KU Fuel Cost - Sales to LGE Native Load
	-		Half of Split Savings
	<u>\$ -</u>	<u>0</u>	
Internal Replacement			
	\$ 2,877,022.18	104,301,000	Freed-up KU Generation sold back to LGE
	-	0	KU Generation for LGE Pre-Merger
	-	0	KU Generation for LGE IB
	<u>\$ 2,877,022.18</u>	<u>104,301,000</u>	
Total Purchases	<u>\$ 2,877,022.18</u>	<u>104,301,000</u>	
Sales			
Internal Economy			
	\$ 5,972,458.34	349,706,000	Fuel for LGE Sale to KU for Native Load
	653,418.45		Half of Split Savings to LGE from KU
	<u>\$ 6,625,876.79</u>	<u>349,706,000</u>	
Internal Replacement			
	\$ -	0	Freed-up LGE Generation sold back to KU
	41,905.81	516,000	LGE Generation for KU Pre-Merger Sales
	<u>\$ 41,905.81</u>	<u>516,000</u>	
Total Sales	<u>\$ 6,667,782.60</u>	<u>350,222,000</u>	



Stephanie L. Stumbo, Executive Director
Public Service Commission of Kentucky
Attention: Mr. Daryl Newby
211 Sower Boulevard
P.O. Box 615
Frankfort, Kentucky 40602

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Kentucky Utilities Company
State Regulation and Rates
220 West Main Street
PO Box 32010
Louisville, Kentucky 40232
www.eon-us.com

Robert M. Conroy
Director - Rates
T 502-627-3324
F 502-627-3213
robert.conroy@eon-us.com

June 20, 2008

Dear Ms. Stumbo:

In compliance with 807 KAR 5:056, Kentucky Utilities Company herewith files its monthly fuel adjustment factor applicable to billings under retail rates during the July 2008 billing cycle which begins July 2, 2008.

The necessary supporting data to justify the amount of the adjustment is included. Please contact me if you have any questions about this filing.

Sincerely,

A handwritten signature in black ink, appearing to read 'R. M. Conroy', is written over a horizontal line. The signature is fluid and cursive.

Robert M. Conroy

Enclosure

KENTUCKY UTILITIES COMPANY
FUEL ADJUSTMENT CLAUSE SCHEDULE

Expense Month : May 2008

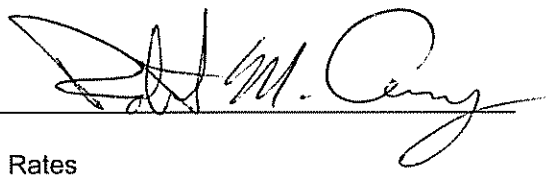
$$\frac{\text{Fuel "Fm" (Fuel Cost Schedule)}}{\text{Sales "Sm" (Sales Schedule)}} = \frac{\$39,886,694}{1,525,189,314 \text{ KWH}} = (+) \$ 0.02615 / \text{KWH}$$

Per PSC approved Tariff Sheet No. 70 effective December 3, 2007 = (-) \$ 0.02591 / KWH

$$\text{FAC Factor (1)} = \underline{\underline{\$ 0.00024 / \text{KWH}}}$$

Note: (1) Five decimal places in dollars for normal rounding.

Effective Date for Billing: July 2, 2008

Submitted by 
Title: Director, Rates

**KENTUCKY UTILITIES COMPANY
FUEL COST SCHEDULE**

Expense Month : May 2008

(A) <u>Company Generation</u>		
Coal Burned	(+) \$	29,715,333
Oil Burned	(+)	421,747
Gas Burned	(+)	417,457
Fuel (assigned cost during Forced Outage)	(+)	580,939 *
Fuel (substitute cost for Forced Outage)	(-)	494,517 *
SUB-TOTAL	\$	<u>30,554,537</u>
(B) <u>Purchases</u>		
Net energy cost - economy purchases	(+) \$	5,996,084
Identifiable fuel cost - other purchases	(+)	-
Identifiable fuel cost (substitute for Forced Outage)	(-)	69,660 *
Less Purchases above Highest Cost Units	(-)	-
Internal Economy	(+)	8,935,557
Internal Replacement	(+)	33,488
SUB-TOTAL	\$	<u>14,965,129</u>
(C) <u>Inter-System Sales</u>		
Including Interchange-out	(+) \$	375,385
Internal Economy	(+)	-
Internal Replacement	(+)	5,431,178
Dollars Assigned to Inter-System Sales Losses	(+)	3,754
SUB-TOTAL	\$	<u>5,810,317</u>
(D) <u>Over or (Under) Recovery</u>		
From Page 5, Line 13	\$	<u>(177,345)</u>
TOTAL FUEL RECOVERY (A+B-C-D) =	\$	39,886,694

* Excluded from calculations per 807 KAR 5:056 due to fuel cost for substitute generation and purchases being less than assigned cost during Forced Outage.

KENTUCKY UTILITIES COMPANY

SALES SCHEDULE (KWH)

Expense Month : May 2008

(A) Generation (Net)	(+)	1,268,954,000
Purchases including interchange-in	(+)	102,340,000
Internal Economy	(+)	473,912,000
Internal Replacement	(+)	<u>2,027,000</u>
SUB-TOTAL		<u>1,847,233,000</u>
(B) Inter-system Sales including interchange-out	(+)	15,363,000
Internal Economy	(+)	-
Internal Replacement	(+)	213,067,000
(*) System Losses	(+)	<u>93,613,686</u>
SUB-TOTAL		<u>322,043,686</u>
TOTAL SALES (A-B)		<u><u>1,525,189,314</u></u>

(*) Note: See Page 4 of 6, "Adjustment of rolling 12-MTD average overall system losses to reflect losses

KENTUCKY UTILITIES COMPANY

**ADJUSTMENT OF ROLLING 12-MTD AVERAGE OVERALL SYSTEM
LOSSES TO REFLECT LOSSES AT RETAIL LEVEL**

Expense Month : May 2008

12 Months to Date KWH Sources:	24,555,772,000	KWH
12 MTD Overall System Losses:	1,244,432,176	KWH
May 2008 KWH Sources:	1,847,233,000	KWH
	1,244,432,176 /	24,555,772,000 = 5.067779%
	5.067779% X	1,847,233,000 = 93,613,686 KWH

WHOLESALE KWH SALES AND LOSSES

159,284,999	Wholesale Sales & Deliveries to ODP at Transmission Voltage	(WS-T)
44,836,800	Wholesale sales at Primary Voltage	(WS-P)
228,430,000	Intersystem Sales at Transmission Voltage	(IS-T)

	<u>Wholesale Sales\Deliveries</u>	<u>Loss Percentage</u>	<u>Losses</u>	<u>Wholesale Sources</u>
WS-T:	159,284,999	3.1%	5,095,805	164,380,804
WS-P:	44,836,800	3.1% & 0.7%	1,760,589	46,597,389
IS-T:	228,430,000	1.0%	2,307,374	230,737,374

KENTUCKY UTILITIES COMPANY
FUEL ADJUSTMENT CLAUSE
OVER OR (UNDER) RECOVERY SCHEDULE

Expense Month : May 2008

1	Last FAC Rate Billed	<u>\$0.00063</u>
2	KWH Billed at Above Rate	<u>1,290,512,896</u>
3	FAC Revenue/(Refund) (Line 1 x Line 2)	<u>\$ 813,023</u>
4	KWH Used to Determine Last FAC Rate	<u>1,784,400,888</u>
5	Non-Jurisdictional KWH (Included in Line 4)	<u>250,315,397</u>
6	Kentucky Jurisdictional KWH (Line 4 - Line 5)	<u>1,534,085,491</u>
7	Revised FAC Rate Billed, if prior period adjustment is needed (See Note 1)	<u>\$0.00000</u>
8	Recoverable FAC Revenue/(Refund) (Line 1 x Line 6)	<u>\$ 966,474</u>
9	Over or (Under) Recovery (Line 3 - Line 8)	<u>\$ (153,451)</u>
10	Total Sales "Sm" (From Page 3 of 6)	<u>1,525,189,314</u>
11	Kentucky Jurisdictional Sales	<u>1,319,700,797</u>
12	Total Sales Divided by Kentucky Jurisdictional Sales(Line 10 / Line 11)	<u>1.15570841</u>
13	Total Company Over or (Under) Recovery (Line 9 x Line 12)	<u>\$ (177,345)</u>
		To Page 2, Line D

Note 1:

**FUEL ADJUSTMENT CLAUSE
INTERCOMPANY TRANSACTIONS**

Expense Month : May 2008

KENTUCKY UTILITIES COMPANY

Purchases		KWH	
Internal Economy	\$ 7,943,861.24	473,912,000	Fuel for LGE Sale to KU for Native Load
	991,695.65		Half of Split Savings to LGE from KU
	<u>\$ 8,935,556.89</u>	<u>473,912,000</u>	
Internal Replacement	\$ -	0	Freed-up LGE Generation sold back to KU
	33,487.85	2,027,000	LGE Generation for KU Pre-Merger Sales
	<u>\$ 33,487.85</u>	<u>2,027,000</u>	
Total Purchases	<u>\$ 8,969,044.74</u>	<u>475,939,000</u>	
Sales			
Internal Economy	\$ -	0	KU Fuel Cost - Sales to LGE Native Load
	-	-	Half of Split Savings
	<u>\$ -</u>	<u>0</u>	
Internal Replacement	\$ 5,431,178.04	213,067,000	Freed-up KU Generation sold back to LGE
	-	0	KU Generation for LGE Pre-Merger
	-	0	KU Generation for LGE IB
	<u>\$ 5,431,178.04</u>	<u>213,067,000</u>	
Total Sales	<u>\$ 5,431,178.04</u>	<u>213,067,000</u>	

LOUISVILLE GAS AND ELECTRIC COMPANY

Purchases		KWH	
Internal Economy	\$ -	0	KU Fuel Cost - Sales to LGE Native Load
	-	-	Half of Split Savings
	<u>\$ -</u>	<u>0</u>	
Internal Replacement	\$ 5,431,178.04	213,067,000	Freed-up KU Generation sold back to LGE
	-	0	KU Generation for LGE Pre-Merger
	-	0	KU Generation for LGE IB
	<u>\$ 5,431,178.04</u>	<u>213,067,000</u>	
Total Purchases	<u>\$ 5,431,178.04</u>	<u>213,067,000</u>	
Sales			
Internal Economy	\$ 7,943,861.24	473,912,000	Fuel for LGE Sale to KU for Native Load
	991,695.65		Half of Split Savings to LGE from KU
	<u>\$ 8,935,556.89</u>	<u>473,912,000</u>	
Internal Replacement	\$ -	0	Freed-up LGE Generation sold back to KU
	33,487.85	2,027,000	LGE Generation for KU Pre-Merger Sales
	<u>\$ 33,487.85</u>	<u>2,027,000</u>	
Total Sales	<u>\$ 8,969,044.74</u>	<u>475,939,000</u>	



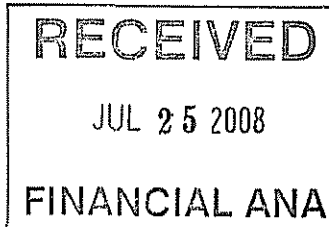
RECEIVED

JUL 25 2008

PUBLIC SERVICE
COMMISSION

Stephanie L. Stumbo, Executive Director
Public Service Commission of Kentucky
Attention: Mr. Daryl Newby
211 Sower Boulevard
P.O. Box 615
Frankfort, Kentucky 40602

Kentucky Utilities Company
State Regulation and Rates
220 West Main Street
PO Box 32010
Louisville, Kentucky 40232
www.eon-us.com



Robert M. Conroy
Director - Rates
T 502-627-3324
F 502-627-3213
robert.conroy@eon-us.com

July 25, 2008

Dear Ms. Stumbo:

In compliance with 807 KAR 5:056, Kentucky Utilities Company herewith files its monthly fuel adjustment factor applicable to billings under retail rates during the August 2008 billing cycle which begins August 4, 2008.

The necessary supporting data to justify the amount of the adjustment is included. Please contact me if you have any questions about this filing.

Sincerely,

Robert M. Conroy

Enclosure

KENTUCKY UTILITIES COMPANY
FUEL ADJUSTMENT CLAUSE SCHEDULE

Expense Month : June 2008

$$\frac{\text{Fuel "Fm" (Fuel Cost Schedule)}}{\text{Sales "Sm" (Sales Schedule)}} = \frac{\$60,249,211}{1,800,740,369 \text{ KWH}} = (+) \$ 0.03346 / \text{KWH}$$

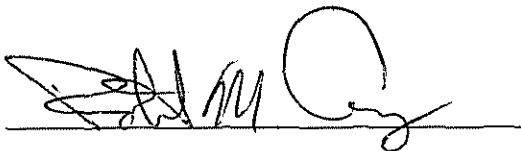
Per PSC approved Tariff Sheet No. 70 effective December 3, 2007 = (-) \$ 0.02591 / KWH

$$\text{FAC Factor (1)} = \underline{\underline{\$ 0.00755 / \text{KWH}}}$$

Note: (1) Five decimal places in dollars for normal rounding.

Effective Date for Billing: August 4, 2008

Submitted by



Title: Director, Rates

**KENTUCKY UTILITIES COMPANY
FUEL COST SCHEDULE**

Expense Month : June 2008

(A) <u>Company Generation</u>		
Coal Burned	(+) \$	35,740,830
Oil Burned	(+)	1,386,702
Gas Burned	(+)	9,346,170
Fuel (assigned cost during Forced Outage)	(+)	724,237
Fuel (substitute cost for Forced Outage)	(-)	453,180
SUB-TOTAL	\$	46,744,759
(B) <u>Purchases</u>		
Net energy cost - economy purchases	(+) \$	10,275,857
Identifiable fuel cost - other purchases	(+)	-
Identifiable fuel cost (substitute for Forced Outage)	(-)	967,867
Less Purchases above Highest Cost Units	(-)	80,410
Internal Economy	(+)	8,832,103
Internal Replacement	(+)	20,550
SUB-TOTAL	\$	18,080,233
(C) <u>Inter-System Sales</u>		
Including Interchange-out	(+) \$	425,111
Internal Economy	(+)	-
Internal Replacement	(+)	4,029,115
Dollars Assigned to Inter-System Sales Losses	(+)	4,251
SUB-TOTAL	\$	4,458,477
(D) <u>Over or (Under) Recovery</u>		
From Page 5, Line 13	\$	117,304
TOTAL FUEL RECOVERY (A+B-C-D) =	\$	60,249,211

KENTUCKY UTILITIES COMPANY

SALES SCHEDULE (KWH)

Expense Month : June 2008

(A) Generation (Net)	(+)	1,500,508,000
Purchases including interchange-in	(+)	203,661,000
Internal Economy	(+)	353,139,000
Internal Replacement	(+)	<u>168,000</u>
SUB-TOTAL		<u>2,057,476,000</u>
(B) Inter-system Sales including interchange-out	(+)	9,564,000
Internal Economy	(+)	-
Internal Replacement	(+)	142,993,000
(*) System Losses	(+)	<u>104,178,631</u>
SUB-TOTAL		<u>256,735,631</u>
TOTAL SALES (A-B)		<u><u>1,800,740,369</u></u>

(*) Note: See Page 4 of 6, "Adjustment of rolling 12-MTD average overall system losses to reflect losses

KENTUCKY UTILITIES COMPANY

**ADJUSTMENT OF ROLLING 12-MTD AVERAGE OVERALL SYSTEM
LOSSES TO REFLECT LOSSES AT RETAIL LEVEL**

Expense Month : June 2008

12 Months to Date KWH Sources: 24,583,179,000 KWH
 12 MTD Overall System Losses: 1,244,749,240 KWH
 June 2008 KWH Sources: 2,057,476,000 KWH

$$1,244,749,240 / 24,583,179,000 = 5.063419\%$$

$$5.063419\% \times 2,057,476,000 = 104,178,631 \text{ KWH}$$

WHOLESALE KWH SALES AND LOSSES

188,959,387 Wholesale Sales & Deliveries to ODP at Transmission Voltage (WS-T)
 56,924,800 Wholesale sales at Primary Voltage (WS-P)
 152,557,000 Intersystem Sales at Transmission Voltage (IS-T)

	<u>Wholesale Sales\Deliveries</u>	<u>Loss Percentage</u>	<u>Losses</u>	<u>Wholesale Sources</u>
WS-T:	188,959,387	3.1%	6,045,140	195,004,527
WS-P:	56,924,800	3.1% & 0.7%	2,235,244	59,160,044
IS-T:	152,557,000	1.0%	1,540,980	154,097,980

KENTUCKY UTILITIES COMPANY
FUEL ADJUSTMENT CLAUSE
OVER OR (UNDER) RECOVERY SCHEDULE

Expense Month : June 2008

1.	Last FAC Rate Billed		<u>\$0.00090</u>
2.	KWH Billed at Above Rate		<u>1,429,279,439</u>
3.	FAC Revenue/(Refund)	(Line 1 x Line 2)	<u>\$ 1,286,351</u>
4.	KWH Used to Determine Last FAC Rate		<u>1,529,007,187</u>
5.	Non-Jurisdictional KWH (Included in Line 4)		<u>212,179,918</u>
6.	Kentucky Jurisdictional KWH	(Line 4 - Line 5)	<u>1,316,827,269</u>
7.	Revised FAC Rate Billed, if prior period adjustment is needed (See Note 1)		<u>\$0.00000</u>
8.	Recoverable FAC Revenue/(Refund)	(Line 1 x Line 6)	<u>\$ 1,185,145</u>
9.	Over or (Under) Recovery	(Line 3 - Line 8)	<u>\$ 101,206</u>
10.	Total Sales "Sm" (From Page 3 of 6)		<u>1,800,740,369</u>
11.	Kentucky Jurisdictional Sales		<u>1,553,617,630</u>
12.	Total Sales Divided by Kentucky Jurisdictional Sales(Line 10 / Line 11)		<u>1.15906278</u>
13.	Total Company Over or (Under) Recovery	(Line 9 x Line 12)	<u>\$ 117,304</u>
			To Page 2, Line D

Note 1:

**FUEL ADJUSTMENT CLAUSE
INTERCOMPANY TRANSACTIONS**

Expense Month : June 2008

KENTUCKY UTILITIES COMPANY

		KWH	
Purchases			
Internal Economy			
	\$ 7,984,953.44	353,139,000	Fuel for LGE Sale to KU for Native Load
	847,149.33		Half of Split Savings to LGE from KU
	<u>\$ 8,832,102.77</u>	<u>353,139,000</u>	
Internal Replacement			
	\$ -	0	Freed-up LGE Generation sold back to KU
	20,549.95	168,000	LGE Generation for KU Pre-Merger Sales
	<u>\$ 20,549.95</u>	<u>168,000</u>	
Total Purchases	<u>\$ 8,852,652.72</u>	<u>353,307,000</u>	
Sales			
Internal Economy			
	\$ -	0	KU Fuel Cost - Sales to LGE Native Load
	-		Half of Split Savings
	<u>\$ -</u>	<u>0</u>	
Internal Replacement			
	\$ 4,029,114.70	142,993,000	Freed-up KU Generation sold back to LGE
	-	0	KU Generation for LGE Pre-Merger
	-	0	KU Generation for LGE IB
	<u>\$ 4,029,114.70</u>	<u>142,993,000</u>	
Total Sales	<u>\$ 4,029,114.70</u>	<u>142,993,000</u>	

LOUISVILLE GAS AND ELECTRIC COMPANY

		KWH	
Purchases			
Internal Economy			
	\$ -	0	KU Fuel Cost - Sales to LGE Native Load
	-		Half of Split Savings
	<u>\$ -</u>	<u>0</u>	
Internal Replacement			
	\$ 4,029,114.70	142,993,000	Freed-up KU Generation sold back to LGE
	-	0	KU Generation for LGE Pre-Merger
	-	0	KU Generation for LGE IB
	<u>\$ 4,029,114.70</u>	<u>142,993,000</u>	
Total Purchases	<u>\$ 4,029,114.70</u>	<u>142,993,000</u>	
Sales			
Internal Economy			
	\$ 7,984,953.44	353,139,000	Fuel for LGE Sale to KU for Native Load
	847,149.33		Half of Split Savings to LGE from KU
	<u>\$ 8,832,102.77</u>	<u>353,139,000</u>	
Internal Replacement			
	\$ -	0	Freed-up LGE Generation sold back to KU
	20,549.95	168,000	LGE Generation for KU Pre-Merger Sales
	<u>\$ 20,549.95</u>	<u>168,000</u>	
Total Sales	<u>\$ 8,852,652.72</u>	<u>353,307,000</u>	



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AUG 22 2008

PUBLIC SERVICE
COMMISSION

Stephanie L. Stumbo, Executive Director
Kentucky Public Service Commission
Attention: Daryl Newby
211 Sower Boulevard
P. O. Box 615
Frankfort, Kentucky 40602-0615

Kentucky Utilities Company
State Regulation and Rates
220 West Main Street
PO Box 32010
Louisville, Kentucky 40232
www.eon-us.com

Robert M. Conroy
Director - Rates
T 502-627-3324
F 502-627-3213
robert.conroy@eon-us.com

August 22, 2008

Dear Ms. Stumbo:

In compliance with 807 KAR 5:056, Kentucky Utilities Company herewith files its monthly fuel adjustment factor applicable to billings under retail rates during the September 2008 billing cycle which begins September 3, 2008.

The necessary supporting data to justify the amount of the adjustment is included. Please contact me if you have any questions about this filing.

Sincerely,

Robert M. Conroy

Enclosure

KENTUCKY UTILITIES COMPANY
FUEL ADJUSTMENT CLAUSE SCHEDULE

Expense Month : July 2008

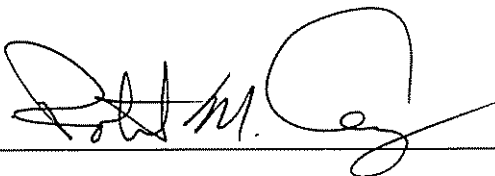
$$\frac{\text{Fuel "Fm" (Fuel Cost Schedule)} \quad \$58,752,080}{\text{Sales "Sm" (Sales Schedule)} \quad 1,898,478,128 \quad \text{KWH}} = (+) \$ 0.03095 / \text{KWH}$$

Per PSC approved Tariff Sheet No. 70 effective December 3, 2007 = (-) \$ 0.02591 / KWH

$$\text{FAC Factor (1)} = \underline{\underline{\$ 0.00504 / \text{KWH}}}$$

Note: (1) Five decimal places in dollars for normal rounding.

Effective Date for Billing: September 3, 2008

Submitted by 

Title: Director, Rates

**KENTUCKY UTILITIES COMPANY
FUEL COST SCHEDULE**

Expense Month : July 2008

(A) <u>Company Generation</u>		
Coal Burned	(+) \$	40,654,750
Oil Burned	(+)	706,672
Gas Burned	(+)	8,248,998
Fuel (assigned cost during Forced Outage)	(+)	4,531,811
Fuel (substitute cost for Forced Outage)	(-)	<u>3,747,312</u>
SUB-TOTAL	\$	50,394,919
(B) <u>Purchases</u>		
Net energy cost - economy purchases	(+) \$	8,659,593
Identifiable fuel cost - other purchases	(+)	-
Identifiable fuel cost (substitute for Forced Outage)	(-)	2,886,700
Less Purchases above Highest Cost Units	(-)	-
Internal Economy	(+)	7,448,006
Internal Replacement	(+)	<u>929</u>
SUB-TOTAL	\$	13,221,828
(C) <u>Inter-System Sales</u>		
Including Interchange-out	(+) \$	745,521
Internal Economy	(+)	14,116
Internal Replacement	(+)	4,014,255
Dollars Assigned to Inter-System Sales Losses	(+)	<u>7,455</u>
SUB-TOTAL	\$	4,781,347
(D) <u>Over or (Under) Recovery</u>		
From Page 5, Line 13	\$	<u>83,320</u>
TOTAL FUEL RECOVERY (A+B-C-D) =	\$	58,752,080

KENTUCKY UTILITIES COMPANY

SALES SCHEDULE (KWH)

Expense Month : July 2008

(A) Generation (Net)	(+)	1,703,248,000
Purchases including interchange-in	(+)	188,723,000
Internal Economy	(+)	290,042,000
Internal Replacement	(+)	12,000
SUB-TOTAL		<u>2,182,025,000</u>
(B) Inter-system Sales including interchange-out	(+)	24,302,000
Internal Economy	(+)	377,000
Internal Replacement	(+)	146,161,000
(*) System Losses	(+)	112,706,872
SUB-TOTAL		<u>283,546,872</u>
TOTAL SALES (A-B)		<u>1,898,478,128</u>

(*) Note: See Page 4 of 6, "Adjustment of rolling 12-MTD average overall system losses to reflect losses

KENTUCKY UTILITIES COMPANY

**ADJUSTMENT OF ROLLING 12-MTD AVERAGE OVERALL SYSTEM
LOSSES TO REFLECT LOSSES AT RETAIL LEVEL**

Expense Month : July 2008

12 Months to Date KWH Sources: 24,659,665,000 KWH
 12 MTD Overall System Losses: 1,273,731,381 KWH
 July 2008 KWH Sources: 2,182,025,000 KWH

$$1,273,731,381 / 24,659,665,000 = 5.165242\%$$

$$5.165242\% \times 2,182,025,000 = 112,706,872 \text{ KWH}$$

WHOLESALE KWH SALES AND LOSSES

195,369,297 Wholesale Sales & Deliveries to ODP at Transmission Voltage (WS-T)
 70,102,880 Wholesale sales at Primary Voltage (WS-P)
 170,840,000 Intersystem Sales at Transmission Voltage (IS-T)

	<u>Wholesale Sales\Deliveries</u>	<u>Loss Percentage</u>	<u>Losses</u>	<u>Wholesale Sources</u>
WS-T:	195,369,297	3.1%	6,250,205	201,619,502
WS-P:	70,102,880	3.1% & 0.7%	2,752,702	72,855,582
IS-T:	170,840,000	1.0%	1,725,657	172,565,657

KENTUCKY UTILITIES COMPANY
FUEL ADJUSTMENT CLAUSE
OVER OR (UNDER) RECOVERY SCHEDULE

Expense Month : July 2008

1.	Last FAC Rate Billed		<u>\$0.00024</u>
2.	KWH Billed at Above Rate		<u>1,618,043,615</u>
3.	FAC Revenue/(Refund)	(Line 1 x Line 2)	<u>\$ 388,330</u>
4.	KWH Used to Determine Last FAC Rate		<u>1,525,189,314</u>
5.	Non-Jurisdictional KWH (Included in Line 4)		<u>205,488,517</u>
6.	Kentucky Jurisdictional KWH	(Line 4 - Line 5)	<u>1,319,700,797</u>
7.	Revised FAC Rate Billed, if prior period adjustment is needed (See Note 1)		<u>\$0.00000</u>
8.	Recoverable FAC Revenue/(Refund)	(Line 1 x Line 6)	<u>\$ 316,728</u>
9.	Over or (Under) Recovery	(Line 3 - Line 8)	<u>\$ 71,602</u>
10.	Total Sales "Sm" (From Page 3 of 6)		<u>1,898,478,128</u>
11.	Kentucky Jurisdictional Sales		<u>1,631,476,139</u>
12.	Total Sales Divided by Kentucky Jurisdictional Sales(Line 10 / Line 11)		<u>1.16365669</u>
13.	Total Company Over or (Under) Recovery	(Line 9 x Line 12)	<u>\$ 83,320</u>
			<u>To Page 2, Line D</u>

Note 1:

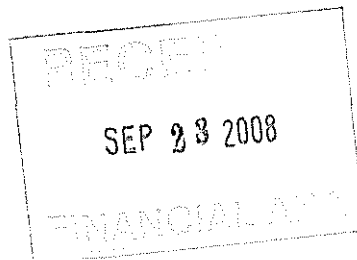
**FUEL ADJUSTMENT CLAUSE
INTERCOMPANY TRANSACTIONS**
Expense Month : July 2008

KENTUCKY UTILITIES COMPANY

		KWH	
Purchases			
Internal Economy			
	\$ 6,606,631.74	290,042,000	Fuel for LGE Sale to KU for Native Load
	841,374.52		Half of Split Savings to LGE from KU
	<u>\$ 7,448,006.26</u>	<u>290,042,000</u>	
Internal Replacement			
	\$ 840.70	7,000	Freed-up LGE Generation sold back to KU
	88.70	5,000	LGE Generation for KU Pre-Merger Sales
	<u>\$ 929.40</u>	<u>12,000</u>	
Total Purchases	<u>\$ 7,448,935.66</u>	<u>290,054,000</u>	
Sales			
Internal Economy			
	\$ 14,107.30	377,000	KU Fuel Cost - Sales to LGE Native Load
	9.08		Half of Split Savings
	<u>\$ 14,116.38</u>	<u>377,000</u>	
Internal Replacement			
	\$ 4,014,254.92	146,161,000	Freed-up KU Generation sold back to LGE
	-	0	KU Generation for LGE Pre-Merger
	-	0	KU Generation for LGE IB
	<u>\$ 4,014,254.92</u>	<u>146,161,000</u>	
Total Sales	<u>\$ 4,028,371.30</u>	<u>146,538,000</u>	

LOUISVILLE GAS AND ELECTRIC COMPANY

		KWH	
Purchases			
Internal Economy			
	\$ 14,107.30	377,000	KU Fuel Cost - Sales to LGE Native Load
	9.08		Half of Split Savings
	<u>\$ 14,116.38</u>	<u>377,000</u>	
Internal Replacement			
	\$ 4,014,254.92	146,161,000	Freed-up KU Generation sold back to LGE
	-	0	KU Generation for LGE Pre-Merger
	-	0	KU Generation for LGE IB
	<u>\$ 4,014,254.92</u>	<u>146,161,000</u>	
Total Purchases	<u>\$ 4,028,371.30</u>	<u>146,538,000</u>	
Sales			
Internal Economy			
	\$ 6,606,631.74	290,042,000	Fuel for LGE Sale to KU for Native Load
	841,374.52		Half of Split Savings to LGE from KU
	<u>\$ 7,448,006.26</u>	<u>290,042,000</u>	
Internal Replacement			
	\$ 840.70	7,000	Freed-up LGE Generation sold back to KU
	88.70	5,000	LGE Generation for KU Pre-Merger Sales
	<u>\$ 929.40</u>	<u>12,000</u>	
Total Sales	<u>\$ 7,448,935.66</u>	<u>290,054,000</u>	



Stephanie L. Stumbo, Executive Director
Public Service Commission of Kentucky
Attention: Mr. Daryl Newby
211 Sower Boulevard
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Frankfort, Kentucky 40602

Kentucky Utilities Company
State Regulation and Rates
220 West Main Street
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Louisville, Kentucky 40232
www.eon-us.com

Robert M. Conroy
Director - Rates
T 502-627-3324
F 502-627-3213
robert.conroy@eon-us.com

September 22, 2008

Dear Ms. Stumbo:

In compliance with 807 KAR 5:056, Kentucky Utilities Company herewith files its monthly fuel adjustment factor applicable to billings under retail rates during the October 2008 billing cycle which begins October 2, 2008.

The necessary supporting data to justify the amount of the adjustment is included. Please contact me if you have any questions about this filing.

Sincerely,

Robert M. Conroy

Enclosure

KENTUCKY UTILITIES COMPANY
FUEL ADJUSTMENT CLAUSE SCHEDULE

Expense Month : August 2008

$$\begin{array}{r} \text{Fuel "Fm" (Fuel Cost Schedule)} \\ \hline \end{array} = \frac{\$58,961,170}{\begin{array}{r} \text{Sales "Sm" (Sales Schedule)} \\ \hline \end{array} = \frac{1,871,982,056 \text{ KWH}}{1,871,982,056 \text{ KWH}} = (+) \$ 0.03150 / \text{KWH}$$

Per PSC approved Tariff Sheet No. 70 effective December 3, 2007 = (-) \$ 0.02591 / KWH

$$\text{FAC Factor (1)} = \underline{\underline{\$ 0.00559 / \text{KWH}}}$$

Note: (1) Five decimal places in dollars for normal rounding.

Effective Date for Billing: October 2, 2008

Submitted by Robert M Conroy /CAF

Title: Director, Rates

**KENTUCKY UTILITIES COMPANY
FUEL COST SCHEDULE**

Expense Month : August 2008

(A) <u>Company Generation</u>		
Coal Burned	(+) \$	40,982,589
Oil Burned	(+)	435,890
Gas Burned	(+)	7,076,263
Fuel (assigned cost during Forced Outage)	(+)	7,735,141
Fuel (substitute cost for Forced Outage)	(-)	5,188,142
SUB-TOTAL	\$	51,041,741
(B) <u>Purchases</u>		
Net energy cost - economy purchases	(+) \$	11,361,450
Identifiable fuel cost - other purchases	(+)	-
Identifiable fuel cost (substitute for Forced Outage)	(-)	4,340,862
Less Purchases above Highest Cost Units	(-)	-
Internal Economy	(+)	5,758,796
Internal Replacement	(+)	30,293
SUB-TOTAL	\$	12,809,677
(C) <u>Inter-System Sales</u>		
Including Interchange-out	(+) \$	1,214,497
Internal Economy	(+)	109,411
Internal Replacement	(+)	3,177,638
Dollars Assigned to Inter-System Sales Losses	(+)	12,145
SUB-TOTAL	\$	4,513,691
(D) <u>Over or (Under) Recovery</u>		
From Page 5, Line 13	\$	376,557
TOTAL FUEL RECOVERY (A+B-C-D) =	\$	58,961,170

KENTUCKY UTILITIES COMPANY

SALES SCHEDULE (KWH)

Expense Month : August 2008

(A) Generation (Net)	(+)	1,657,615,000
Purchases including interchange-in	(+)	226,497,000
Internal Economy	(+)	232,831,000
Internal Replacement	(+)	1,019,000
SUB-TOTAL		<u>2,117,962,000</u>

(B) Inter-system Sales including interchange-out	(+)	30,062,000
Internal Economy	(+)	1,734,000
Internal Replacement	(+)	105,631,000
(*) System Losses	(+)	108,552,944
SUB-TOTAL		<u>245,979,944</u>

TOTAL SALES (A-B) 1,871,982,056

(*) Note: See Page 4 of 6, "Adjustment of rolling 12-MTD average overall system losses to reflect losses"

KENTUCKY UTILITIES COMPANY

**ADJUSTMENT OF ROLLING 12-MTD AVERAGE OVERALL SYSTEM
LOSSES TO REFLECT LOSSES AT RETAIL LEVEL**

Expense Month : August 2008

12 Months to Date KWH Sources:	24,418,135,000	KWH
12 MTD Overall System Losses:	1,251,514,727	KWH
August 2008 KWH Sources:	2,117,962,000	KWH

$$1,251,514,727 / 24,418,135,000 = 5.125349\%$$

$$5.125349\% \times 2,117,962,000 = 108,552,944 \text{ KWH}$$

WHOLESALE KWH SALES AND LOSSES

190,422,847	Wholesale Sales & Deliveries to ODP at Transmission Voltage	(WS-T)
58,429,600	Wholesale sales at Primary Voltage	(WS-P)
137,427,000	Intersystem Sales at Transmission Voltage	(IS-T)

	<u>Wholesale Sales\Deliveries</u>	<u>Loss Percentage</u>	<u>Losses</u>	<u>Wholesale Sources</u>
WS-T:	190,422,847	3.1%	6,091,959	196,514,806
WS-P:	58,429,600	3.1% & 0.7%	2,294,332	60,723,932
IS-T:	137,427,000	1.0%	1,388,152	138,815,152

KENTUCKY UTILITIES COMPANY
FUEL ADJUSTMENT CLAUSE
OVER OR (UNDER) RECOVERY SCHEDULE

Expense Month : August 2008

1	Last FAC Rate Billed	<u>\$0.00755</u>
2	KWH Billed at Above Rate	<u>1,596,820,450</u>
3	FAC Revenue/(Refund) (Line 1 x Line 2)	<u>\$ 12,055,994</u>
4	KWH Used to Determine Last FAC Rate	<u>1,800,740,369</u>
5	Non-Jurisdictional KWH (Included in Line 4)	<u>247,122,739</u>
6	Kentucky Jurisdictional KWH (Line 4 - Line 5)	<u>1,553,617,630</u>
7	Revised FAC Rate Billed, if prior period adjustment is needed (See Note 1)	<u>\$0.00000</u>
8	Recoverable FAC Revenue/(Refund) (Line 1 x Line 6)	<u>\$ 11,729,813</u>
9	Over or (Under) Recovery (Line 3 - Line 8)	<u>\$ 326,181</u>
10	Total Sales "Sm" (From Page 3 of 6)	<u>1,871,982,056</u>
11	Kentucky Jurisdictional Sales	<u>1,621,549,379</u>
12	Total Sales Divided by Kentucky Jurisdictional Sales (Line 10 / Line 11)	<u>1.15444036</u>
13	Total Company Over or (Under) Recovery (Line 9 x Line 12)	<u>\$ 376,557</u>
		To Page 2, Line D

Note 1:

**FUEL ADJUSTMENT CLAUSE
INTERCOMPANY TRANSACTIONS**
Expense Month : August 2008

KENTUCKY UTILITIES COMPANY

		KWH	
Purchases			
Internal Economy			
	\$ 4,990,929.85	232,831,000	Fuel for LGE Sale to KU for Native Load
	767,866.08		Half of Split Savings to LGE from KU
	<u>\$ 5,758,795.93</u>	<u>232,831,000</u>	
Internal Replacement			
	\$ 15,001.01	186,000	Freed-up LGE Generation sold back to KU
	15,291.93	833,000	LGE Generation for KU Pre-Merger Sales
	<u>\$ 30,292.94</u>	<u>1,019,000</u>	
Total Purchases	<u>\$ 5,789,088.87</u>	<u>233,850,000</u>	
Sales			
Internal Economy			
	\$ 102,685.27	1,734,000	KU Fuel Cost - Sales to LGE Native Load
	6,725.90		Half of Split Savings
	<u>\$ 109,411.17</u>	<u>1,734,000</u>	
Internal Replacement			
	\$ 3,177,637.98	105,631,000	Freed-up KU Generation sold back to LGE
	-	0	KU Generation for LGE Pre-Merger
	-	0	KU Generation for LGE IB
	<u>\$ 3,177,637.98</u>	<u>105,631,000</u>	
Total Sales	<u>\$ 3,287,049.15</u>	<u>107,365,000</u>	

LOUISVILLE GAS AND ELECTRIC COMPANY

		KWH	
Purchases			
Internal Economy			
	\$ 102,685.27	1,734,000	KU Fuel Cost - Sales to LGE Native Load
	6,725.90		Half of Split Savings
	<u>\$ 109,411.17</u>	<u>1,734,000</u>	
Internal Replacement			
	\$ 3,177,637.98	105,631,000	Freed-up KU Generation sold back to LGE
	-	0	KU Generation for LGE Pre-Merger
	-	0	KU Generation for LGE IB
	<u>\$ 3,177,637.98</u>	<u>105,631,000</u>	
Total Purchases	<u>\$ 3,287,049.15</u>	<u>107,365,000</u>	
Sales			
Internal Economy			
	\$ 4,990,929.85	232,831,000	Fuel for LGE Sale to KU for Native Load
	767,866.08		Half of Split Savings to LGE from KU
	<u>\$ 5,758,795.93</u>	<u>232,831,000</u>	
Internal Replacement			
	\$ 15,001.01	186,000	Freed-up LGE Generation sold back to KU
	15,291.93	833,000	LGE Generation for KU Pre-Merger Sales
	<u>\$ 30,292.94</u>	<u>1,019,000</u>	
Total Sales	<u>\$ 5,789,088.87</u>	<u>233,850,000</u>	



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OCT 21 2008
PUBLIC SERVICE
COMMISSION

Stephanie L. Stumbo, Executive Director
Public Service Commission of Kentucky
Attention: Mr. Daryl Newby
211 Sower Boulevard
P.O. Box 615
Frankfort, Kentucky 40602

Kentucky Utilities Company
State Regulation and Rates
220 West Main Street
PO Box 32010
Louisville, Kentucky 40232
www.eon-us.com

Robert M. Conroy
Director - Rates
T 502-627-3324
F 502-627-3213
robert.conroy@eon-us.com

October 21, 2008

Dear Ms. Stumbo:

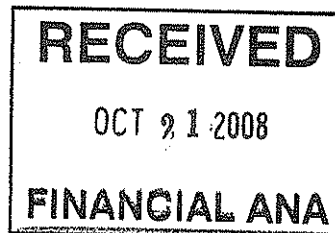
In compliance with 807 KAR 5:056, Kentucky Utilities Company herewith files its monthly fuel adjustment factor applicable to billings under retail rates during the November 2008 billing cycle which begins October 31, 2008.

The necessary supporting data to justify the amount of the adjustment is included. Please contact me if you have any questions about this filing.

Sincerely,

Robert M. Conroy

Enclosure



KENTUCKY UTILITIES COMPANY
FUEL ADJUSTMENT CLAUSE SCHEDULE

Expense Month : September 2008

$$\frac{\text{Fuel "Fm" (Fuel Cost Schedule)}}{\text{Sales "Sm" (Sales Schedule)}} = \frac{\$53,290,379}{1,691,843,153 \text{ KWH}} = (+) \$ 0.03150 / \text{KWH}$$

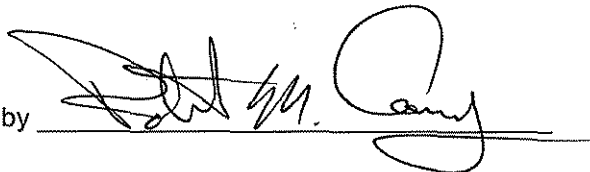
Per PSC approved Tariff Sheet No. 70 effective December 3, 2007. = (-) \$ 0.02591 / KWH

$$\text{FAC Factor (1)} = \underline{\underline{\$ 0.00559 / \text{KWH}}}$$

Note: (1) Five decimal places in dollars for normal rounding.

Effective Date for Billing: October 31, 2008

Submitted by



Title: Director, Rates

**KENTUCKY UTILITIES COMPANY
FUEL COST SCHEDULE**

Expense Month : September 2008

(A) <u>Company Generation</u>		
Coal Burned	(+) \$	43,147,324
Oil Burned	(+)	642,772
Gas Burned	(+)	2,495,328
Fuel (assigned cost during Forced Outage)	(+)	427,238
Fuel (substitute cost for Forced Outage)	(-)	252,927
SUB-TOTAL	\$	46,459,735
(B) <u>Purchases</u>		
Net energy cost - economy purchases	(+) \$	6,341,881
Identifiable fuel cost - other purchases	(+)	-
Identifiable fuel cost (substitute for Forced Outage)	(-)	294,710
Less Purchases above Highest Cost Units	(-)	-
Internal Economy	(+)	7,986,994
Internal Replacement	(+)	480
SUB-TOTAL	\$	14,034,645
(C) <u>Inter-System Sales</u>		
Including Interchange-out	(+) \$	739,124
Internal Economy	(+)	8,394
Internal Replacement	(+)	6,649,565
Dollars Assigned to Inter-System Sales Losses	(+)	7,391
SUB-TOTAL	\$	7,404,474
(D) <u>Over or (Under) Recovery</u>		
From Page 5, Line 13	\$	(200,473)
TOTAL FUEL RECOVERY (A+B-C-D) =		\$ 53,290,379

KENTUCKY UTILITIES COMPANY

SALES SCHEDULE (KWH)

Expense Month : September 2008

(A) Generation (Net)	(+)	1,503,828,000
Purchases including interchange-in	(+)	189,959,000
Internal Economy	(+)	358,184,000
Internal Replacement	(+)	6,000
SUB-TOTAL		<u>2,051,977,000</u>

(B) Inter-system Sales including interchange-out	(+)	22,771,000
Internal Economy	(+)	143,000
Internal Replacement	(+)	233,372,000
(*) System Losses	(+)	103,847,847
SUB-TOTAL		<u>360,133,847</u>

TOTAL SALES (A-B) 1,691,843,153

(*) Note: See Page 4 of 6, "Adjustment of rolling 12-MTD average overall system losses to reflect losses

KENTUCKY UTILITIES COMPANY

**ADJUSTMENT OF ROLLING 12-MTD AVERAGE OVERALL SYSTEM
LOSSES TO REFLECT LOSSES AT RETAIL LEVEL**

Expense Month : September 2008

12 Months to Date KWH Sources: 24,543,689,000 KWH
 12 MTD Overall System Losses: 1,242,123,786 KWH
 September 2008 KWH Sources: 2,051,977,000 KWH

$$1,242,123,786 / 24,543,689,000 = 5.060868\%$$

$$5.060868\% \times 2,051,977,000 = 103,847,847 \text{ KWH}$$

WHOLESALE KWH SALES AND LOSSES

178,769,136 Wholesale Sales & Deliveries to ODP at Transmission Voltage (WS-T)
 50,864,000 Wholesale sales at Primary Voltage (WS-P)
 256,286,000 Intersystem Sales at Transmission Voltage (IS-T)

	<u>Wholesale Sales\Deliveries</u>	<u>Loss Percentage</u>	<u>Losses</u>	<u>Wholesale Sources</u>
WS-T:	178,769,136	3.1%	5,719,136	184,488,272
WS-P:	50,864,000	3.1% & 0.7%	1,997,257	52,861,257
IS-T:	256,286,000	1.0%	2,588,747	258,874,747

KENTUCKY UTILITIES COMPANY
FUEL ADJUSTMENT CLAUSE
OVER OR (UNDER) RECOVERY SCHEDULE

Expense Month : September 2008

1.	Last FAC Rate Billed		<u>\$0.00504</u>
2.	KWH Billed at Above Rate		<u>1,597,136,261</u>
3.	FAC Revenue/(Refund)	(Line 1 x Line 2)	<u>\$ 8,049,567</u>
4.	KWH Used to Determine Last FAC Rate		<u>1,898,478,128</u>
5.	Non-Jurisdictional KWH (Included in Line 4)		<u>267,001,989</u>
6.	Kentucky Jurisdictional KWH	(Line 4 - Line 5)	<u>1,631,476,139</u>
7.	Revised FAC Rate Billed, if prior period adjustment is needed (See Note 1)		<u>\$0.00000</u>
8.	Recoverable FAC Revenue/(Refund)	(Line 1 x Line 6)	<u>\$ 8,222,640</u>
9.	Over or (Under) Recovery	(Line 3 - Line 8)	<u>\$ (173,073)</u>
10.	Total Sales "Sm" (From Page 3 of 6)		<u>1,691,843,153</u>
11.	Kentucky Jurisdictional Sales		<u>1,460,605,416</u>
12.	Total Sales Divided by Kentucky Jurisdictional Sales(Line 10 / Line 11)		<u>1.15831636</u>
13.	Total Company Over or (Under) Recovery	(Line 9 x Line 12)	<u>\$ (200,473)</u>
			To Page 2, Line D

Note 1:

**FUEL ADJUSTMENT CLAUSE
INTERCOMPANY TRANSACTIONS**
Expense Month : September 2008

KENTUCKY UTILITIES COMPANY

Purchases		KWH	
Internal Economy	\$ 6,755,862.32	358,184,000	Fuel for LGE Sale to KU for Native Load
	1,231,131.40		Half of Split Savings to LGE from KU
	<u>\$ 7,986,993.72</u>	<u>358,184,000</u>	
Internal Replacement	\$ 479.75	6,000	Freed-up LGE Generation sold back to KU
	-	0	LGE Generation for KU Pre-Merger Sales
	<u>\$ 479.75</u>	<u>6,000</u>	
Total Purchases	<u><u>\$ 7,987,473.47</u></u>	<u><u>358,190,000</u></u>	
Sales			
Internal Economy	\$ 8,030.04	143,000	KU Fuel Cost - Sales to LGE Native Load
	363.74		Half of Split Savings
	<u>\$ 8,393.78</u>	<u>143,000</u>	
Internal Replacement	\$ 6,649,564.58	233,372,000	Freed-up KU Generation sold back to LGE
	-	0	KU Generation for LGE Pre-Merger
	-	0	KU Generation for LGE IB
	<u>\$ 6,649,564.58</u>	<u>233,372,000</u>	
Total Sales	<u><u>\$ 6,657,958.36</u></u>	<u><u>233,515,000</u></u>	

LOUISVILLE GAS AND ELECTRIC COMPANY

Purchases		KWH	
Internal Economy	\$ 8,030.04	143,000	KU Fuel Cost - Sales to LGE Native Load
	363.74		Half of Split Savings
	<u>\$ 8,393.78</u>	<u>143,000</u>	
Internal Replacement	\$ 6,649,564.58	233,372,000	Freed-up KU Generation sold back to LGE
	-	0	KU Generation for LGE Pre-Merger
	-	0	KU Generation for LGE IB
	<u>\$ 6,649,564.58</u>	<u>233,372,000</u>	
Total Purchases	<u><u>\$ 6,657,958.36</u></u>	<u><u>233,515,000</u></u>	
Sales			
Internal Economy	\$ 6,755,862.32	358,184,000	Fuel for LGE Sale to KU for Native Load
	1,231,131.40		Half of Split Savings to LGE from KU
	<u>\$ 7,986,993.72</u>	<u>358,184,000</u>	
Internal Replacement	\$ 479.75	6,000	Freed-up LGE Generation sold back to KU
	-	0	LGE Generation for KU Pre-Merger Sales
	<u>\$ 479.75</u>	<u>6,000</u>	
Total Sales	<u><u>\$ 7,987,473.47</u></u>	<u><u>358,190,000</u></u>	



Stephanie L. Stumbo, Executive Director
Public Service Commission of Kentucky
Attention: Mr. Daryl Newby
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Frankfort, Kentucky 40602

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COMMISSION

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State Regulation and Rates
220 West Main Street
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www.eon-us.com

Robert M. Conroy
Director - Rates
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robert.conroy@eon-us.com

November 21, 2008

Dear Ms. Stumbo:

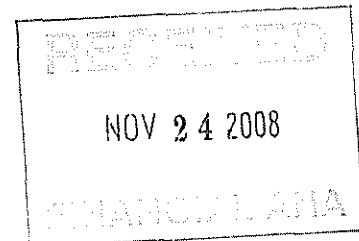
In compliance with 807 KAR 5:056, Kentucky Utilities Company herewith files its monthly fuel adjustment factor applicable to billings under retail rates during the December 2008 billing cycle which begins December 2, 2008.

The necessary supporting data to justify the amount of the adjustment is included. Please contact me if you have any questions about this filing.

Sincerely,

Robert M. Conroy

Enclosure



KENTUCKY UTILITIES COMPANY
FUEL ADJUSTMENT CLAUSE SCHEDULE

Expense Month : October 2008


$$\frac{\text{Fuel "Fm" (Fuel Cost Schedule)} \quad \$42,743,691}{\text{Sales "Sm" (Sales Schedule)} \quad 1,551,902,723 \quad \text{KWH}} = (+) \$ 0.02754 / \text{KWH}$$

Per PSC approved Tariff Sheet No. 70 effective December 3, 2007 = (-) \$ 0.02591 / KWH

$$\text{FAC Factor (1)} = \underline{\underline{\$ 0.00163 / \text{KWH}}}$$

Note: (1) Five decimal places in dollars for normal rounding.

Effective Date for Billing: December 2, 2008

Submitted by 

Title: Director, Rates

**KENTUCKY UTILITIES COMPANY
FUEL COST SCHEDULE**

Expense Month : October 2008

(A) <u>Company Generation</u>		
Coal Burned	(+) \$	35,815,752
Oil Burned	(+)	866,010
Gas Burned	(+)	23,108
Fuel (assigned cost during Forced Outage)	(+)	1,688,920 *
Fuel (substitute cost for Forced Outage)	(-)	1,345,894 *
SUB-TOTAL	\$	36,704,870
(B) <u>Purchases</u>		
Net energy cost - economy purchases	(+) \$	5,162,826
Identifiable fuel cost - other purchases	(+)	-
Identifiable fuel cost (substitute for Forced Outage)	(-)	329,672 *
Less Purchases above Highest Cost Units	(-)	-
Internal Economy	(+)	12,455,619
Internal Replacement	(+)	-
SUB-TOTAL	\$	17,618,445
(C) <u>Inter-System Sales</u>		
Including Interchange-out	(+) \$	1,756,077
Internal Economy	(+)	-
Internal Replacement	(+)	11,630,810
Dollars Assigned to Inter-System Sales Losses	(+)	17,561
SUB-TOTAL	\$	13,404,448
(D) <u>Over or (Under) Recovery</u>		
From Page 5, Line 13	\$	(1,824,824)
TOTAL FUEL RECOVERY (A+B-C-D) =	\$	42,743,691

* Excluded from calculations per 807 KAR 5:056 due to fuel cost for substitute generation and purchases being less than assigned cost during Forced Outage.

KENTUCKY UTILITIES COMPANY

SALES SCHEDULE (KWH)

Expense Month : October 2008

(A) Generation (Net)	(+)	1,390,499,000
Purchases including interchange-in	(+)	173,151,000
Internal Economy	(+)	541,774,000
Internal Replacement	(+)	-
SUB-TOTAL		<u>2,105,424,000</u>
(B) Inter-system Sales including interchange-out	(+)	55,795,000
Internal Economy	(+)	-
Internal Replacement	(+)	392,692,000
(*) System Losses	(+)	<u>105,034,277</u>
SUB-TOTAL		<u>553,521,277</u>
TOTAL SALES (A-B)		<u>1,551,902,723</u>

(*) Note: See Page 4 of 6, "Adjustment of rolling 12-MTD average overall system losses to reflect losses"

KENTUCKY UTILITIES COMPANY

**ADJUSTMENT OF ROLLING 12-MTD AVERAGE OVERALL SYSTEM
LOSSES TO REFLECT LOSSES AT RETAIL LEVEL**

Expense Month : October 2008

12 Months to Date KWH Sources: 24,758,304,000 KWH
 12 MTD Overall System Losses: 1,235,129,207 KWH
 October 2008 KWH Sources: 2,105,424,000 KWH

$$1,235,129,207 / 24,758,304,000 = 4.988747\%$$

$$4.988747\% \times 2,105,424,000 = 105,034,277 \text{ KWH}$$

WHOLESALE KWH SALES AND LOSSES

171,583,687 Wholesale Sales & Deliveries to ODP at Transmission Voltage (WS-T)
 44,710,000 Wholesale sales at Primary Voltage (WS-P)
 448,487,000 Intersystem Sales at Transmission Voltage (IS-T)

	<u>Wholesale Sales\Deliveries</u>	<u>Loss Percentage</u>	<u>Losses</u>	<u>Wholesale Sources</u>
WS-T:	171,583,687	3.1%	5,489,261	177,072,948
WS-P:	44,710,000	3.1% & 0.7%	1,755,610	46,465,610
IS-T:	448,487,000	1.0%	4,530,172	453,017,172

KENTUCKY UTILITIES COMPANY
FUEL ADJUSTMENT CLAUSE
OVER OR (UNDER) RECOVERY SCHEDULE

Expense Month : October 2008

1	Last FAC Rate Billed		<u>\$0.00559</u>
2	KWH Billed at Above Rate		<u>1,340,928,722</u>
3	FAC Revenue/(Refund)	(Line 1 x Line 2)	<u>\$ 7,495,792</u>
4	KWH Used to Determine Last FAC Rate		<u>1,871,982,056</u>
5	Non-Jurisdictional KWH (Included in Line 4)		<u>250,432,677</u>
6	Kentucky Jurisdictional KWH	(Line 4 - Line 5)	<u>1,621,549,379</u>
7	Revised FAC Rate Billed, if prior period adjustment is needed (See Note 1)		<u>\$0.00000</u>
8	Recoverable FAC Revenue/(Refund)	(Line 1 x Line 6)	<u>\$ 9,064,461</u>
9	Over or (Under) Recovery	(Line 3 - Line 8)	<u>\$ (1,568,669)</u>
10	Total Sales "Sm" (From Page 3 of 6)		<u>1,551,902,723</u>
11	Kentucky Jurisdictional Sales		<u>1,334,058,105</u>
12	Total Sales Divided by Kentucky Jurisdictional Sales(Line 10 / Line 11)		<u>1.1632947</u>
13	Total Company Over or (Under) Recovery	(Line 9 x Line 12)	<u>\$ (1,824,824)</u> To Page 2, Line D

Note 1:

**FUEL ADJUSTMENT CLAUSE
INTERCOMPANY TRANSACTIONS**

Expense Month : October 2008

KENTUCKY UTILITIES COMPANY

		KWH	
Purchases			
Internal Economy			
	\$ 10,371,454.82	541,774,000	Fuel for LGE Sale to KU for Native Load
	2,084,164.56		Half of Split Savings to LGE from KU
	<u>\$ 12,455,619.38</u>	<u>541,774,000</u>	
Internal Replacement			
	\$ -	0	Freed-up LGE Generation sold back to KU
	-	0	LGE Generation for KU Pre-Merger Sales
	<u>\$ -</u>	<u>0</u>	
Total Purchases	<u>\$ 12,455,619.38</u>	<u>541,774,000</u>	
Sales			
Internal Economy			
	\$ -	0	KU Fuel Cost - Sales to LGE Native Load
	-		Half of Split Savings
	<u>\$ -</u>	<u>0</u>	
Internal Replacement			
	\$ 11,630,810.46	392,692,000	Freed-up KU Generation sold back to LGE
	-	0	KU Generation for LGE Pre-Merger
	-	0	KU Generation for LGE IB
	<u>\$ 11,630,810.46</u>	<u>392,692,000</u>	
Total Sales	<u>\$ 11,630,810.46</u>	<u>392,692,000</u>	

LOUISVILLE GAS AND ELECTRIC COMPANY

		KWH	
Purchases			
Internal Economy			
	\$ -	0	KU Fuel Cost - Sales to LGE Native Load
	-		Half of Split Savings
	<u>\$ -</u>	<u>0</u>	
Internal Replacement			
	\$ 11,630,810.46	392,692,000	Freed-up KU Generation sold back to LGE
	-	0	KU Generation for LGE Pre-Merger
	-	0	KU Generation for LGE IB
	<u>\$ 11,630,810.46</u>	<u>392,692,000</u>	
Total Purchases	<u>\$ 11,630,810.46</u>	<u>392,692,000</u>	
Sales			
Internal Economy			
	\$ 10,371,454.82	541,774,000	Fuel for LGE Sale to KU for Native Load
	2,084,164.56		Half of Split Savings to LGE from KU
	<u>\$ 12,455,619.38</u>	<u>541,774,000</u>	
Internal Replacement			
	\$ -	0	Freed-up LGE Generation sold back to KU
	-	0	LGE Generation for KU Pre-Merger Sales
	<u>\$ -</u>	<u>0</u>	
Total Sales	<u>\$ 12,455,619.38</u>	<u>541,774,000</u>	



Stephanie L. Stumbo, Executive Director
Public Service Commission of Kentucky
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Robert M. Conroy
Director - Rates
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robert.conroy@eon-us.com

December 23, 2008

Dear Ms. Stumbo:

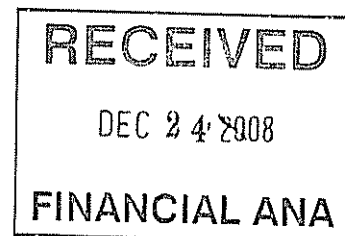
In compliance with 807 KAR 5:056, Kentucky Utilities Company herewith files its monthly fuel adjustment factor applicable to billings under retail rates during the January 2009 billing cycle which begins January 5, 2009.

The necessary supporting data to justify the amount of the adjustment is included. Please contact me if you have any questions about this filing.

Sincerely,

Robert M. Conroy

Enclosure



KENTUCKY UTILITIES COMPANY
FUEL ADJUSTMENT CLAUSE SCHEDULE

Expense Month : November 2008

$$\frac{\text{Fuel "Fm" (Fuel Cost Schedule)} \quad \$46,660,856}{\text{Sales "Sm" (Sales Schedule)} \quad 1,645,934,968 \quad \text{KWH}} = (+) \$ 0.02835 / \text{KWH}$$

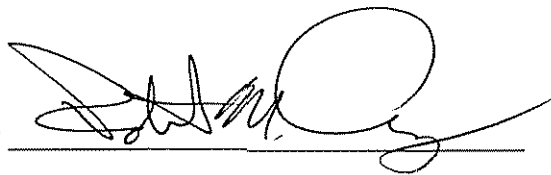
Per PSC approved Tariff Sheet No. 70 effective December 3, 2007 = (-) \$ 0.02591 / KWH

$$\text{FAC Factor (1)} = \underline{\underline{\$ 0.00244 / \text{KWH}}}$$

Note: (1) Five decimal places in dollars for normal rounding.

Effective Date for Billing: January 5, 2009

Submitted by



Title: Director, Rates

**KENTUCKY UTILITIES COMPANY
FUEL COST SCHEDULE**

Expense Month : November 2008

(A) <u>Company Generation</u>		
Coal Burned	(+) \$	42,175,458
Oil Burned	(+)	948,151
Gas Burned	(+)	627,763
Fuel (assigned cost during Forced Outage)	(+)	862,235
Fuel (substitute cost for Forced Outage)	(-)	931,148
SUB-TOTAL	\$	43,682,459
(B) <u>Purchases</u>		
Net energy cost - economy purchases	(+) \$	4,041,718
Identifiable fuel cost - other purchases	(+)	-
Identifiable fuel cost (substitute for Forced Outage)	(-)	-
Less Purchases above Highest Cost Units	(-)	-
Internal Economy	(+)	12,917,578
Internal Replacement	(+)	17,654
SUB-TOTAL	\$	16,976,950
(C) <u>Inter-System Sales</u>		
Including Interchange-out	(+) \$	2,143,606
Internal Economy	(+)	-
Internal Replacement	(+)	12,998,759
Dollars Assigned to Inter-System Sales Losses	(+)	21,436
SUB-TOTAL	\$	15,163,801
(D) <u>Over or (Under) Recovery</u>		
From Page 5, Line 13	\$	(1,165,248)
TOTAL FUEL RECOVERY (A+B-C-D) =	\$	46,660,856

KENTUCKY UTILITIES COMPANY

SALES SCHEDULE (KWH)

Expense Month : November 2008

(A) Generation (Net)	(+)	1,555,344,000
Purchases including interchange-in	(+)	119,260,000
Internal Economy	(+)	633,945,000
Internal Replacement	(+)	<u>1,070,000</u>
SUB-TOTAL		<u>2,309,619,000</u>
(B) Inter-system Sales including interchange-out	(+)	62,957,000
Internal Economy	(+)	-
Internal Replacement	(+)	487,462,000
(*) System Losses	(+)	<u>113,265,032</u>
SUB-TOTAL		<u>663,684,032</u>
TOTAL SALES (A-B)		<u><u>1,645,934,968</u></u>

(*) Note: See Page 4 of 6, "Adjustment of rolling 12-MTD average overall system losses to reflect losses

KENTUCKY UTILITIES COMPANY

**ADJUSTMENT OF ROLLING 12-MTD AVERAGE OVERALL SYSTEM
LOSSES TO REFLECT LOSSES AT RETAIL LEVEL**

Expense Month : November 2008

12 Months to Date KWH Sources: 25,210,727,000 KWH
 12 MTD Overall System Losses: 1,236,348,304 KWH
 November 2008 KWH Sources: 2,309,619,000 KWH

$$1,236,348,304 / 25,210,727,000 = 4.904057\%$$

$$4.904057\% \times 2,309,619,000 = 113,265,032 \text{ KWH}$$

WHOLESALE KWH SALES AND LOSSES

184,382,040 Wholesale Sales & Deliveries to ODP at Transmission Voltage (WS-T)
 43,205,600 Wholesale sales at Primary Voltage (WS-P)
 550,419,000 Intersystem Sales at Transmission Voltage (IS-T)

	Wholesale Sales\Deliveries	Loss Percentage	Losses	Wholesale Sources
WS-T:	184,382,040	3.1%	5,898,703	190,280,743
WS-P:	43,205,600	3.1% & 0.7%	1,696,537	44,902,137
IS-T:	550,419,000	1.0%	5,559,788	555,978,788

KENTUCKY UTILITIES COMPANY
FUEL ADJUSTMENT CLAUSE
OVER OR (UNDER) RECOVERY SCHEDULE

Expense Month : November 2008

1	Last FAC Rate Billed	<u>\$0.00559</u>
2	KWH Billed at Above Rate	<u>1,281,171,726</u>
3	FAC Revenue/(Refund) (Line 1 x Line 2)	<u>\$ 7,161,750</u>
4	KWH Used to Determine Last FAC Rate	<u>1,691,843,153</u>
5	Non-Jurisdictional KWH (Included in Line 4)	<u>231,237,737</u>
6	Kentucky Jurisdictional KWH (Line 4 - Line 5)	<u>1,460,605,416</u>
7	Revised FAC Rate Billed, if prior period adjustment is needed (See Note 1)	<u>\$0.00000</u>
8	Recoverable FAC Revenue/(Refund) (Line 1 x Line 6)	<u>\$ 8,164,784</u>
9	Over or (Under) Recovery (Line 3 - Line 8)	<u>\$ (1,003,034)</u>
10	Total Sales "Sm" (From Page 3 of 6)	<u>1,645,934,968</u>
11	Kentucky Jurisdictional Sales	<u>1,416,804,983</u>
12	Total Sales Divided by Kentucky Jurisdictional Sales (Line 10 / Line 11)	<u>1.16172302</u>
13	Total Company Over or (Under) Recovery (Line 9 x Line 12)	<u>\$ (1,165,248)</u>
		To Page 2, Line D

Note 1:

**FUEL ADJUSTMENT CLAUSE
INTERCOMPANY TRANSACTIONS**
Expense Month : November 2008

KENTUCKY UTILITIES COMPANY

		KWH	
Purchases			
Internal Economy			
	\$ 10,310,157.06	633,945,000	Fuel for LGE Sale to KU for Native Load
	<u>2,607,421.23</u>		Half of Split Savings to LGE from KU
	\$ <u>12,917,578.29</u>	<u>633,945,000</u>	
Internal Replacement			
	\$ -	0	Freed-up LGE Generation sold back to KU
	<u>17,654.23</u>	<u>1,070,000</u>	LGE Generation for KU Pre-Merger Sales
	\$ <u>17,654.23</u>	<u>1,070,000</u>	
Total Purchases	<u>\$ 12,935,232.52</u>	<u>635,015,000</u>	
Sales			
Internal Economy			
	\$ -	0	KU Fuel Cost - Sales to LGE Native Load
	<u>-</u>	<u>-</u>	Half of Split Savings
	\$ <u>-</u>	<u>0</u>	
Internal Replacement			
	\$ 12,998,758.61	487,462,000	Freed-up KU Generation sold back to LGE
	<u>-</u>	<u>0</u>	KU Generation for LGE Pre-Merger
	<u>-</u>	<u>0</u>	KU Generation for LGE IB
	\$ <u>12,998,758.61</u>	<u>487,462,000</u>	
Total Sales	<u>\$ 12,998,758.61</u>	<u>487,462,000</u>	

LOUISVILLE GAS AND ELECTRIC COMPANY

		KWH	
Purchases			
Internal Economy			
	\$ -	0	KU Fuel Cost - Sales to LGE Native Load
	<u>-</u>	<u>-</u>	Half of Split Savings
	\$ <u>-</u>	<u>0</u>	
Internal Replacement			
	\$ 12,998,758.61	487,462,000	Freed-up KU Generation sold back to LGE
	<u>-</u>	<u>0</u>	KU Generation for LGE Pre-Merger
	<u>-</u>	<u>0</u>	KU Generation for LGE IB
	\$ <u>12,998,758.61</u>	<u>487,462,000</u>	
Total Purchases	<u>\$ 12,998,758.61</u>	<u>487,462,000</u>	
Sales			
Internal Economy			
	\$ 10,310,157.06	633,945,000	Fuel for LGE Sale to KU for Native Load
	<u>2,607,421.23</u>	<u>-</u>	Half of Split Savings to LGE from KU
	\$ <u>12,917,578.29</u>	<u>633,945,000</u>	
Internal Replacement			
	\$ -	0	Freed-up LGE Generation sold back to KU
	<u>17,654.23</u>	<u>1,070,000</u>	LGE Generation for KU Pre-Merger Sales
	\$ <u>17,654.23</u>	<u>1,070,000</u>	
Total Sales	<u>\$ 12,935,232.52</u>	<u>635,015,000</u>	



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JAN 23 2009

PUBLIC SERVICE
COMMISSION

Jeff Derouen, Executive Director
Public Service Commission of Kentucky
Attention: Mr. Daryl Newby
211 Sower Boulevard
P.O. Box 615
Frankfort, Kentucky 40602

Kentucky Utilities Company
State Regulation and Rates
220 West Main Street
PO Box 32010
Louisville, Kentucky 40232
www.eon-us.com

Robert M. Conroy
Director - Rates
T 502-627-3324
F 502-627-3213
robert.conroy@eon-us.com

January 23, 2008

Dear Mr. Derouen:

In compliance with 807 KAR 5:056, Kentucky Utilities Company herewith files its monthly fuel adjustment factor applicable to billings under retail rates during the February 2009 billing cycle which begins February 2, 2009.

The necessary supporting data to justify the amount of the adjustment is included. Please contact me if you have any questions about this filing.

Sincerely,

A handwritten signature in black ink, appearing to read 'R. M. Conroy', with a long horizontal flourish extending to the right.

Robert M. Conroy

Enclosure

KENTUCKY UTILITIES COMPANY
FUEL ADJUSTMENT CLAUSE SCHEDULE

Expense Month : December 2008

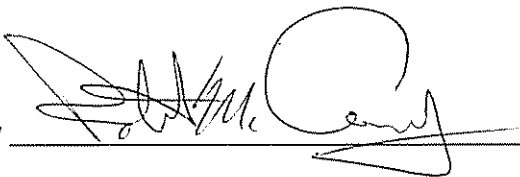
$$\frac{\text{Fuel "Fm" (Fuel Cost Schedule)} \quad \$56,832,606}{\text{Sales "Sm" (Sales Schedule)} \quad 1,894,593,118 \quad \text{KWH}} = (+) \$ 0.03000 / \text{KWH}$$

Per PSC approved Tariff Sheet No. 70 effective December 3, 2007 = (-) \$ 0.02591 / KWH

$$\text{FAC Factor (1)} = \underline{\underline{\$ 0.00409 / \text{KWH}}}$$

Note: (1) Five decimal places in dollars for normal rounding.

Effective Date for Billing: February 2, 2009

Submitted by 

Title: Director, Rates

**KENTUCKY UTILITIES COMPANY
FUEL COST SCHEDULE**

Expense Month : December 2008

(A) <u>Company Generation</u>		
Coal Burned	(+) \$	46,123,185
Oil Burned	(+)	793,145
Gas Burned	(+)	3,645,777
Fuel (assigned cost during Forced Outage)	(+)	451,498
Fuel (substitute cost for Forced Outage)	(-)	376,710
SUB-TOTAL	\$	50,636,894
(B) <u>Purchases</u>		
Net energy cost - economy purchases	(+) \$	5,247,138
Identifiable fuel cost - other purchases	(+)	-
Identifiable fuel cost (substitute for Forced Outage)	(-)	108,910
Less Purchases above Highest Cost Units	(-)	-
Internal Economy	(+)	11,357,093
Internal Replacement	(+)	2,688
SUB-TOTAL	\$	16,498,009
(C) <u>Inter-System Sales</u>		
Including Interchange-out	(+) \$	493,544
Internal Economy	(+)	51,501
Internal Replacement	(+)	9,233,459
Dollars Assigned to Inter-System Sales Losses	(+)	4,935
SUB-TOTAL	\$	9,783,439
(D) <u>Over or (Under) Recovery</u>		
From Page 5, Line 13	\$	518,858
TOTAL FUEL RECOVERY (A+B-C-D) =	\$	56,832,606

KENTUCKY UTILITIES COMPANY

SALES SCHEDULE (KWH)

Expense Month : December 2008

(A) Generation (Net)	(+)	1,643,540,000
Purchases including interchange-in	(+)	171,709,000
Internal Economy	(+)	515,776,000
Internal Replacement	(+)	41,000
SUB-TOTAL		<u>2,331,066,000</u>
(B) Inter-system Sales including interchange-out	(+)	13,831,000
Internal Economy	(+)	807,000
Internal Replacement	(+)	307,713,000
(*) System Losses	(+)	114,121,882
SUB-TOTAL		<u>436,472,882</u>
TOTAL SALES (A-B)		<u>1,894,593,118</u>

(*) Note: See Page 4 of 6, "Adjustment of rolling 12-MTD average overall system losses to reflect losses

KENTUCKY UTILITIES COMPANY

**ADJUSTMENT OF ROLLING 12-MTD AVERAGE OVERALL SYSTEM
LOSSES TO REFLECT LOSSES AT RETAIL LEVEL**

Expense Month : December 2008

12 Months to Date KWH Sources: 25,396,016,000 KWH
 12 MTD Overall System Losses: 1,243,311,519 KWH
 December 2008 KWH Sources: 2,331,066,000 KWH

$$1,243,311,519 / 25,396,016,000 = 4.895695\%$$

$$4.895695\% \times 2,331,066,000 = 114,121,882 \text{ KWH}$$

WHOLESALE KWH SALES AND LOSSES

225,587,759 Wholesale Sales & Deliveries to ODP at Transmission Voltage (WS-T)
 48,046,800 Wholesale sales at Primary Voltage (WS-P)
 322,351,000 Intersystem Sales at Transmission Voltage (IS-T)

	<u>Wholesale Sales\Deliveries</u>	<u>Loss Percentage</u>	<u>Losses</u>	<u>Wholesale Sources</u>
WS-T:	225,587,759	3.1%	7,216,946	232,804,705
WS-P:	48,046,800	3.1% & 0.7%	1,886,635	49,933,435
IS-T:	322,351,000	1.0%	3,256,071	325,607,071

KENTUCKY UTILITIES COMPANY
FUEL ADJUSTMENT CLAUSE
OVER OR (UNDER) RECOVERY SCHEDULE

Expense Month : December 2008

1.	Last FAC Rate Billed		<u>\$0.00163</u>
2.	KWH Billed at Above Rate		<u>1,606,020,064</u>
3.	FAC Revenue/(Refund)	(Line 1 x Line 2)	<u>\$ 2,617,813</u>
4.	KWH Used to Determine Last FAC Rate		<u>1,551,902,723</u>
5.	Non-Jurisdictional KWH (Included in Line 4)		<u>217,844,618</u>
6.	Kentucky Jurisdictional KWH	(Line 4 - Line 5)	<u>1,334,058,105</u>
7.	Revised FAC Rate Billed, if prior period adjustment is needed (See Note 1)		<u>\$0.00000</u>
8.	Recoverable FAC Revenue/(Refund)	(Line 1 x Line 6)	<u>\$ 2,174,515</u>
9.	Over or (Under) Recovery	(Line 3 - Line 8)	<u>\$ 443,298</u>
10.	Total Sales "Sm" (From Page 3 of 6)		<u>1,894,593,118</u>
11.	Kentucky Jurisdictional Sales		<u>1,618,688,423</u>
12.	Total Sales Divided by Kentucky Jurisdictional Sales(Line 10 / Line 11)		<u>1.17044954</u>
13.	Total Company Over or (Under) Recovery	(Line 9 x Line 12)	<u>\$ 518,858</u> To Page 2, Line D

Note 1:

**FUEL ADJUSTMENT CLAUSE
INTERCOMPANY TRANSACTIONS**
Expense Month : December 2008

KENTUCKY UTILITIES COMPANY

		KWH	
Purchases			
Internal Economy	\$ 9,346,258.83	515,776,000	Fuel for LGE Sale to KU for Native Load
	2,010,833.74		Half of Split Savings to LGE from KU
	<u>\$ 11,357,092.57</u>	<u>515,776,000</u>	
Internal Replacement	\$ 2,687.84	41,000	Freed-up LGE Generation sold back to KU
	-	0	LGE Generation for KU Pre-Merger Sales
	<u>\$ 2,687.84</u>	<u>41,000</u>	
Total Purchases	<u>\$ 11,359,780.41</u>	<u>515,817,000</u>	
Sales			
Internal Economy	\$ 51,250.72	807,000	KU Fuel Cost - Sales to LGE Native Load
	249.80		Half of Split Savings
	<u>\$ 51,500.52</u>	<u>807,000</u>	
Internal Replacement	\$ 9,233,458.64	307,713,000	Freed-up KU Generation sold back to LGE
	-	0	KU Generation for LGE Pre-Merger
	-	0	KU Generation for LGE IB
	<u>\$ 9,233,458.64</u>	<u>307,713,000</u>	
Total Sales	<u>\$ 9,284,959.16</u>	<u>308,520,000</u>	

LOUISVILLE GAS AND ELECTRIC COMPANY

		KWH	
Purchases			
Internal Economy	\$ 51,250.72	807,000	KU Fuel Cost - Sales to LGE Native Load
	249.80		Half of Split Savings
	<u>\$ 51,500.52</u>	<u>807,000</u>	
Internal Replacement	\$ 9,233,458.64	307,713,000	Freed-up KU Generation sold back to LGE
	-	0	KU Generation for LGE Pre-Merger
	-	0	KU Generation for LGE IB
	<u>\$ 9,233,458.64</u>	<u>307,713,000</u>	
Total Purchases	<u>\$ 9,284,959.16</u>	<u>308,520,000</u>	
Sales			
Internal Economy	\$ 9,346,258.83	515,776,000	Fuel for LGE Sale to KU for Native Load
	2,010,833.74		Half of Split Savings to LGE from KU
	<u>\$ 11,357,092.57</u>	<u>515,776,000</u>	
Internal Replacement	\$ 2,687.84	41,000	Freed-up LGE Generation sold back to KU
	-	0	LGE Generation for KU Pre-Merger Sales
	<u>\$ 2,687.84</u>	<u>41,000</u>	
Total Sales	<u>\$ 11,359,780.41</u>	<u>515,817,000</u>	