DEC 25 2003

NOTICE

Notice is hereby given that Kentucky Utilities Company is the approval by the Public Service Commission, Frankfort, Kentucky of an adjustment of electric rates to become effective on and after February 1, 2004.

Old Proposed and Proposed Rates

Residential Service Rate RS

Current Rate:

Customer Charge:	$2.82 per month
First 100 KWH used per month	5.017¢ per KWH
Next 300 KWH used per month	4.572¢ per KWH
Excess Over 400 KWH used per month	4.172¢ per KWH
Minimum Charge: Single Phase	$2.82 per month
Three-Phase	$7.25 per month

Proposed Rate:

Customer Charge:	$8.00 per month
All KWH used per month	4.145¢ per KWH

Minimum Charge: The customer charge will be the minimum bill.

Full Electric Residential Service Rate FERS

Current Rate:

Customer Charge:	$3.85 per month

Plus an Energy Charge of:
4.229 cents per KWH for the first 1,000 KWH used per month
3.838 cents per KWH for all in excess of 1,000 KWH used per month

Minimum Charge: Single Phase $3.85 per month
Three-Phase $7.25 per month

Proposed Rate: Rate FERS will be canceled. Customers now served under Rate FERS will be served under Rate RS.

Volunteer Fire Department Rate VFD

Current Rate:

Customer Charge:	$3.85 per month

Plus an Energy Charge of:
4.229 cents per KWH for the first 1,000 KWH used per month
3.838 cents per KWH for all in excess of 1,000 KWH used per month

Minimum Charge: The Customer Charge will be the minimum bill.

Proposed Rate:

Customer Charge:	$8.00 per month
All KWH used per month	4.145¢ per KWH

Minimum Charge: The customer charge will be the minimum bill.
(Volunteer Fire Department Rate VFD is currently equivalent to Rate FERS. With the cancellation of FERS, Rate VFD will be equivalent to Rate RS)

General Service Rate GS

Current Rate:

Customer Charge:	$4.11 per month

Plus an Energy Charge of:

First 500 KWH used per month	6.443¢ per KWH
Next 1,500 KWH used per month	5.332¢ per KWH
Excess Over 2,000 KWH used per month	4.870¢ per KWH

Minimum Charge: Service under this schedule is subject to a minimum of the greater of (a) $4.11 per month to include the first 20 KW or less of capacity, or (b) $4.11 per month, plus $1.64 per KW for demand in excess of 20 KW.

Proposed Rate:

Customer Charge:	$20.00 per month
All KWH used per month	4.697¢ per KWH

Minimum Charge: Service under this schedule is subject to a minimum of the greater of (a) $20.00 per month to include the first 20 KW or less of capacity, or (b) $20.00 per month, plus $1.64 per KW for demand in excess of 20 KW.

Combination Off-Peak Water Heating Rate CWH

Current Rate:

Customer Charge:	$1.03 per month
Energy Charge	2.065¢ per KWH

Minimum Bill: The Customer Charge

Proposed Rate: Rate CWH will be canceled. Customers now served under Rate CWH will be served under Rate RS or Rate GS.

Electric Space Heating Rider - Rate Schedule 33

Current Rate

All KWH during heating season 3.926¢ per KWH

Minimum Bill: Not less than $89.89 per heating season, or less than $13.10 per KW of connected load per heating season, whichever is the greater. This minimum to be in addition to the minimum of the standard rate to which this rate is a rider.

Proposed Rate: Rate Schedule 33 will be canceled. Customers now served under Rate Schedule 33 will be served under Rate GS.

All-Electric School Rate Schedule A.E.S.

Current Rate:

All KWH 3.936¢ per KWH

Minimum Charge: An Annual Minimum Charge of $18.30 per KW for all connected equipment, except air-conditioning and other individual equipment of one KW or less, but not less than $198.11 per year.

Proposed Rate:
No change is proposed for this rate.

Load Reduction Incentive Rate LRI

Current Rate
Up to $0.30 per KWH

Proposed Rate:
No change is proposed for this rate

Curtailable Service Rider Rate CSR

All service to be billed under the base schedule.

Current Rate

Curtailable Demand Credit per KW	Transmission	Primary	Secondary
For 75 or 100 Hours Curtailment	($1.55)	($1.60)	($1.65)
For 150 or 200 Hours Curtailment	($3.10)	($3.20)	($3.30)

Penalty Charge Per KW -
Measured Firm Demand in Excess of Contracted Firm Demand
First Non-Compliance in billing month - Maximum Excess in current or preceding 11 months $0.45 $0.45 $0.45
Multiple Non-Compliances in billing month - Maximum Excess in current or preceding 11 months $0.90 $0.90 $0.90

Proposed Rate:
Demand Credit of:

Primary	($4.19) per KW
Transmission	($4.09) per KW

Non-Compliance Charge

Primary	$16.00 per KW
Transmission	$16.00 per KW

Combined Large Power Rate LP

Current Rates:
Maximum Load Charge: Secondary Service at nominal voltages of 120, 240, 480 or 208Y as available. $4.11 per kilowatt of the maximum load in the month,but not less than $493.20 per year.
Primary Service at nominal voltages of 2400, 4160Y, 7200, 8320Y and 12,470Y as available. $3.13 per kilowatt of the maximum load in the month, but not less than $939.00 per year.
Transmission Line Service at voltages of 34,500 or 69,000 as available. $2.97 per kilowatt of the maximum load in the month with minimum depending upon the facilities necessary to serve, but not less than $1,782.00 per year.
Plus an Energy Charge of:
2.872 cents per KWH for the first 500,000 KWH used per month.
2.633 cents per KWH for the next 1,500,000 KWH used per month.
2.504 cents per KWH for all in excess of 2,000,000 KWH used per month.
Minimum Charge: Service under this schedule is subject to an annual minimum of $49.32 per kilowatt for secondary delivery, $37.56 per kilowatt for primary delivery and $35.64 per kilowatt for transmission delivery for each yearly period based on the greater of (a), (b), (c), (d), or (e) as follows:
(a) The highest monthly maximum load during such yearly period.
(b) The contract capacity, based on the expected maximum KW demand upon the system.
(c) 60 percent of the KW capacity of facilities specified by the customer.
(d) Secondary delivery, $493.20 per year; Primary delivery, $939.00 per year; Transmission delivery, $1,782.00 per year.
(e) Minimum may be adjusted where customer's service requires an abnormal investment in special facilities.

Proposed Rate:

Customer Charge:	$75.00 per month

Maximum Load Charge: Secondary Service - $6.77 per kilowatt of the maximum load in the month, but not less than $812.40 per year.
Primary Service - $6.43 per kilowatt of the maximum load in the month
Transmission Line Service - $6.09 per kilowatt of the maximum load in the month.
Plus an Energy Charge of:
2.200 cents per KWH
Minimum Charge: Service under this schedule is subject to an annual minimum of $81.24 per kilowatt for secondary delivery, $77.16 per kilowatt for primary delivery and $73.08 per kilowatt for transmission delivery for each yearly period based on the greater of (a), (b), (c), (d), or (e) as follows:
(a) The highest monthly maximum load during such yearly period.
(b) The contract capacity, based on the expected maximum KW demand upon the system.
(c) 60 percent of the KW capacity of facilities specified by the customer.
(d) Secondary delivery, $812.40 per year; Primary delivery, $1,925.00 per year; Transmission delivery, $3,654.00 per year.
(e) Minimum may be adjusted where customer's service requires an abnormal investment in special facilities.

Large Time-of-Day Primary Industrial Time-of-Use Rate LCI-TOU

Current Rate:

Maximum Load Charge:	Primary	Transmission
On-Peak Demand	$4.14 per KW	$3.95 per KW
Off-Peak Demand	$ .73 per KW	$ .73 per KW

Energy Charge: 2.210 cents per KWH
Minimum Annual Bill: Service under this schedule is subject to an annual minimum of $49.68 per kilowatt for primary and $47.40 per kilowatt for transmission on-peak delivery for each yearly period based on the greater of (a), (b), (c), (d) or (e), as follows:
(a) The highest monthly on-peak maximum load during such yearly period.
(b) The contract capacity, based on the expected on-peak maximum KW demand upon the system.
(c) Sixty percent of the KW capacity of facilities specified by the customer.
(d) Primary delivery, $248,400 per year; transmission delivery $237,000 per year.
(e) Minimum may be adjusted where customer's service requires an abnormal investment in special facilities.

Proposed Rate: (to be replaced with "Time of Day Service Rate TOD")

Customer Charge: $120.00

Maximum Load Charge:	Primary	Transmission
On-Peak Demand	$5.52 per KW	$5.33 per KW
Off-Peak Demand	$0.73 per KW	$0.73 per KW

Energy Charge: 2.200 cents per KWH
Minimum Annual Bill: Service under this schedule is subject to an annual minimum of $66.24 per kilowatt for primary and $63.96 per kilowatt for transmission on-peak delivery for each yearly period based on the greater of (a), (b), (c), (d) or (e), as follows:
(a) The highest monthly on-peak maximum load during such yearly period.
(b) The contract capacity, based on the expected on-peak maximum KW demand upon the system.
(c) Sixty percent of the KW capacity of facilities specified by the customer.
(d) Primary delivery, $331,200 per year; transmission delivery $319,800 per year.
(e) Minimum may be adjusted where customer's service requires an abnormal investment in special facilities.

High Load Factor Rate Schedule HLF

Current Rate:

Maximum Load Charge:	Secondary	Primary
All KW of Monthly Billing Demand	$5.13 per KW	$4.79 per KW

Energy Charge: 2.270 cents per KWH
Proposed Rate: Rate HLF will be canceled. Customers now served under Rate HLF will be served under Rate LP.

Coal Mining Power Service Rate Schedule MP

Current Rate:
Maximum Load Charge:
Primary Service at nominal voltage of 2,400 or more shall be $3.01 per kilowatt of the maximum load in the month.
Transmission Line Service at nominal voltage of 34,500 or more shall be $2.67 per kilowatt of the maximum load in the month.
Plus an Energy Charge of:
2.881 cents per KWH for the first 500,000 KWH used per month
2.710 cents per KWH for all in excess of 500,000 KWH used per month
Minimum Charge: Not less than the greater of (a), (b) or (c) as follows:
a) $36.12 for primary delivery and $32.04 for transmission delivery for each yearly period for each kilowatt of capacity reserved by the customer's application.
(b) $36.12 per kilowatt for primary delivery or $32.04 per kilowatt for transmission delivery, for each yearly period based on highest monthly maximum load during such yearly period.
(c) No less than an amount to be determined by any special investment required to serve.

Proposed Rate:
Customer Charge: $75.00 per month
Maximum Load Charge:
Primary Service - $4.80 per kilowatt of the maximum load in the month.
Transmission Line Service - $4.68 per kilowatt of the maximum load in the month.
Plus an Energy Charge of:
2.400 cents per KWH
Minimum Charge: Not less than the greater of (a), (b) or (c) as follows:
(a) $57.60 for primary delivery and $56.16 for transmission delivery for each yearly period for each kilowatt of capacity reserved by the customer's application.
(b) $57.60 per kilowatt for primary delivery or $56.16 per kilowatt for transmission delivery, for each yearly period based on highest monthly maximum load during such yearly period.
(c) No less than an amount to be determined by any special investment required to serve.

Large Mine Power Time-of-Day Rate Schedule LMP-TOD

Current Rate:

Maximum Load Charge:	Primary	Transmission
On-Peak Demand	$4.14	$3.80
Off-Peak Demand	$0.73	$0.73

Energy Charge: 2.094 cents per KWH
Minimum Charge: Not less than the greater of (a), (b), or (c) as follows:
(a) $49.68 for primary delivery and $45.60 for transmission delivery for each yeady period for each kilowatt of capacity reserved by the customer's application, based on not less than 5,000 KW.
(b) $49.68 per kilowatt for primary delivery and $45.60 per kilowatt for transmission delivery, for each yearly period based on the highest monthly on-peak maximum load during such yearly period.
(c) Not less than an amount to be determined by any special investment required to serve.

Proposed Rate:
Customer Charge: $120.00 per month

Maximum Load Charge:	Primary	Transmission
On-Peak Demand	$5.50	$4.96
Off-Peak Demand	$0.73	$0.73

Energy Charge: 2.000 cents per KWH
Minimum Charge: Not less than the greater of (a), (b), or (c) as follows:
(a) $66.00 for primary delivery and $59.52 for transmission delivery for each yearly period for each kilowatt of capacity reserved by the customer's application, based on not less than 5,000 KW.
(b) $66.00 per kilowatt for primary delivery and $59.52 per kilowatt for transmission delivery, for each yearly period based on the highest monthly on-peak maximum load during such yearly period.
(c) Not less than an amount to be determined by any special investment required to serve.

Water Pumping Service Rate Schedule W

Current Rate:
Customer Charge: $10.27 per month
Plus an Energy Charge of:
4.631 cents per KWH for the first 10,000 KWH used per month.
3.917 cents per KWH for all in excess of 10,000 KWH used per month.
Proposed Rate: Rate Schedule W will be canceled. Customers now served under Rate W will be served under Rate LP.

Street Lighting Service Rate Schedule St. Lt.

Current Rate:

	Lead/Light	Rate Per Light Per Month Standard	Decorative
Incandescent System			
1,000 Lumens (approx.)	.102 KW/Light	$ 2.11	$ 2.72
2,500 " "	.201 KW/Light	2.57	3.32
4,000 " "	.327 KW/Light	3.68	4.56
6,000 " "	.447 KW/Light	4.89	5.87
10,000 " "	.690 KW/Light	6.57	8.07
Mercury Vapor			
3,500 Lumens (approx.)	.126 KW/Light	$ 5.36	$ 7.60
7,000 " "	.207 KW/Light	6.19	8.30
10,000 " "	.294 KW/Light	7.14	9.01
20,000 " "	.453 KW/Light	8.39	9.89
High Pressure Sodium			
4,000 Lumens (approx.)	.060 KW/Light	$ 4.68	$ 7.13
5,800 " "	.083 KW/Light	5.06	7.53
9,500 " "	.117 KW/Light	5.72	8.35
22,000 " "	.242 KW/Light	8.44	11.06
50,000 " "	.485 KW/Light	13.62	16.23

Proposed Rate: (to be combined with current Decorative Lighting Rate)

	Lead/Light	Rate Per Light Per Month Standard	Decorative
Incandescent System			
1,000 Lumens (approx.)	.102 KW/Light	$ 2.31	$ 2.98
2,500 " "	.201 KW/Light	2.81	3.64
4,000 " "	.327 KW/Light	4.03	4.99
6,000 " "	.447 KW/Light	5.36	6.43
Mercury Vapor			
7,000 Lumens (approx.)	.207 KW/Light	6.78	9.09
10,000 " "	.294 KW/Light	7.82	9.87
20,000 " "	.453 KW/Light	9.19	10.88
High Pressure Sodium			
4,000 Lumens (approx.)	.060 KW/Light	$ 5.11	$ 7.79
5,800 " "	.083 KW/Light	5.55	8.23
9,500 " "	.117 KW/Light	6.25	9.12
22,000 " "	.242 KW/Light	9.22	12.09
50,000 " "	.485 KW/Light	14.88	17.74

Decorative Underground Service

Type of Pole & Fixture	Lumen Output	Load/Light In KW	Monthly Rate Per Light
Acorn (Decorative Pole)	4,000	0.060	$16.64
Acorn (Historic Pole)	4,000	0.060	$16.70
Acorn (Decorative Pole)	5,800	0.083	$11.19
Acorn (Historic Pole)	5,800	0.083	$17.23
Acorn (Decorative Pole)	9,500	0.117	$11.88
Acorn (Historic Pole)	9,500	0.117	$17.93
Colonial	4,000	0.060	$ 7.02
Colonial	5,800	0.083	$ 7.48
Colonial	9,500	0.117	$ 8.09
Coach	5,800	0.083	$23.47
Coach	9,500	0.117	$24.09
Contemporary	5,800	0.083	$12.69
Contemporary	9,500	0.117	$15.35
Contemporary	22,000	0.242	$17.80
Contemporary	50,000	0.485	$23.05
GranVille	16,000	0.150	$39.16
Gran Ville Accessories:			
Single Crossarm Bracket			$16.65
Twin Crossarm Bracket			$16.53
24 Inch Banner Arm			$ 2.89
24 Inch Clamp Banner Arm			$ 3.90
18 Inch Banner Arm			$ 2.86
Flagpole Holder			$ 1.22
Post-Mounted Receptacle			$17.29
Base-Mounted Receptacle			$16.69
Additional Receptacles			$ 2.39
Planter			$ 4.00

Decorative Street Lighting Service Rate DEC St. Lt.

Current Rate: Type of Pole & Fixture	Approx. Lumen Output	Load/Light In KW	Monthly Rate Per Light
Acorn (Decorative Pole)	4,000	0.060	$ 9.74
Acorn (Historic Pole)	4,000	0.060	$15.28
Acorn (Decorative Pole)	5,800	0.083	$10.24
Acorn (Historic Pole)	5,800	0.083	$15.77
Acorn (Decorative Pole)	9,500	0.117	$10.87
Acorn (Historic Pole)	9,500	0.117	$16.41
Colonial	4,000	0.060	$ 6.42
Colonial	5,800	0.083	$ 6.83
Colonial	9,500	0.117	$ 7.40
Coach	5,800	0.083	$23.47
Coach	9,500	0.117	$24.09
Contemporary	5,800	0.083	$11.80
Contemporary	9,500	0.117	$14.05
Contemporary	22,000	0.242	$16.29
Contemporary	50,000	0.485	$21.09
GranVille	16,000	0.150	$35.84
Gran Ville Accessories:			
Single Crossarm Bracket			$15.24
Twin Crossarm Bracket			$16.86
24 Inch Banner Arm			$ 2.64
24 Inch Clamp Banner Arm			$ 3.90
18 Inch Banner Arm			$ 2.43
Flagpole Holder			$ 1.12
Post-Mounted Receptacle			$15.82
Base-Mounted Receptacle			$15.27
Additional Receptacles			$ 2.16
Planter			$ 3.66

Proposed Rate: Rate DEC ST. LT. will be canceled and combined with Street Lighting Service Rate St. Lt.

Private Outdoor Lighting Rate P.O. LT.

Current Rate: Type of Light	Approx. Lumens	KW Rating	Monthly Charge
Standard (Served Overhead)			
Mercury Vapor			
Open Bottom	7,000	.207	$ 7.12
Cobra	20,000	.453	$ 8.41
High Pressure Sodium			
Open Bottom	5,800	.083	$ 4.05
Open Bottom	9,500	.117	$ 4.62
Cobra	22,000	.242	$ 8.44
Cobra	50,000	.485	$13.62
Directional (Served Overhead)			
High Pressure Sodium	9,500	0.117	$ 5.60
High Pressure Sodium	22,000	0.242	$ 7.93
High Pressure Sodium	50,000	0.485	$12.08
Metal Halide Commercial and Industrial Lighting			
Directional Fixture Only	12,000	0.207	$ 8.27
Directional Fixture/Wood Pole	12,000	0.207	$10.10
Directional Fixture/Metal Pole	12,000	0.207	$16.10
Directional Fixture Only	32,000	0.450	$11.46
Directional Fixture/Wood Pole	32,000	0.450	$13.30
Directional Fixture/Metal Pole	32,000	0.450	$19.29
Directional Fixture Only	107,800	1.080	$23.61
Directional Fixture/Wood Pole	107,800	1.080	$26.27
Directional Fixture/Metal Pole	107,800	1.080	$31.80
Contemporary Fixture Only	12,000	0.207	$ 9.29
Contemporary/Metal Pole	12,000	0.207	$17.13
Contemporary Fixture Only	32,000	0.450	$12.90
Contemporary/Metal Pole	32,000	0.450	$20.73
Contemporary Fixture Only	107,800	1.080	$26.04
Contemporary/Metal Pole	107,800	1.080	$33.88
Decorative HPS (Served Underground)			
Acorn (Decorative Pole)	4,000	0.060	$ 9.74
Acorn (Historic Pole)	4,000	0.060	$15.28
Acorn (Decorative Pole)	5,800	0.083	$10.24
Acorn (Historic Pole)	5,800	0.083	$15.77
Acorn (Decorative Pole)	9,500	0.117	$10.88
Acorn (Historic Pole)	9,500	0.117	$16.42
Colonial	4,000	0.060	$ 6.42
Colonial	5,800	0.083	$ 6.83
Colonial	9,500	0.117	$ 7.40
Coach	5,800	0.083	$23.47
Coach	9,500	0.117	$24.09
Contemporary	5,800	0.083	$11.80
Contemporary	9,500	0.117	$14.05
Contemporary	22,000	0.242	$16.29
Contemporary	50,000	0.485	$21.09
GranVille	16,000	0.150	$35.84
Gran Ville Accessories:			
Single Crossarm Bracket			$15.24
Twin Crossarm Bracket			$16.86
24 Inch Banner Arm			$ 2.64
24 Inch Clamp Banner Arm			$ 3.90
18 Inch Banner Arm			$ 2.43
Flagpole Holder			$ 1.12
Post-Mounted Receptacle			$15.82
Base-Mounted Receptacle			$15.27
Additional Receptacles			$ 2.16
Planter			$ 3.66

Proposed Rate:

Type of Light	Approx. Lumens	KW Rating	Monthly Charge
Standard (Served Overhead)			
Mercury Vapor			
Open Bottom	7,000	.207	$ 7.70
Cobra	20,000	.453	$ 9.09
High Pressure Sodium			
Open Bottom	5,800	.083	$ 4.39
Open Bottom	9,500	.117	$ 4.99
Cobra	22,000	.242	$ 9.12
Cobra	50,000	.485	$14.72
Directional (Served Overhead)			
High Pressure Sodium	9,500	0.117	$ 6.05
High Pressure Sodium	22,000	0.242	$ 8.57
High Pressure Sodium	50,000	0.485	$13.06
Metal Halide Commercial and Industrial Lighting			
Directional Fixture Only	12,000	0.207	$ 8.94
Directional Fixture/Wood Pole	12,000	0.207	$10.92
Directional Fixture/Metal Pole	12,000	0.207	$17.41
Directional Fixture Only	32,000	0.450	$12.39
Directional Fixture/Wood Pole	32,000	0.450	$14.38
Directional Fixture/Metal Pole	32,000	0.450	$20.85
Directional Fixture Only	107,800	1.080	$25.53
Directional Fixture/Wood Pole	107,800	1.080	$28.35
Directional Fixture/Metal Pole	107,800	1.080	$34.35
Contemporary Fixture Only	12,000	0.207	$10.04
Contemporary/Metal Pole	12,000	0.207	$18.52