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Form U-13-60
April 29, 2005

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**UNITED STATES
SECURITIES AND EXCHANGE COMMISSION**
WASHINGTON, D.C. 20549

FORM U-13-60

ANNUAL REPORT

**For the Period
Beginning January 1, 2004 and Ending December 31, 2004**

to the

U.S. SECURITIES AND EXCHANGE COMMISSION

of

LG&E ENERGY SERVICES INC.

(Exact Name of Reporting Company)

a Subsidiary Service Company

("Mutual" or "Subsidiary")

Date of Incorporation: **June 2, 2000**

If not Incorporated, Date of Organization: **N/A**

State of Sovereign Power under which Incorporated or Organized: **Kentucky**

Location of Principal Executive Offices of Reporting Company: **Louisville, Kentucky**

Name, title and address of officer to whom correspondence concerning this report should be addressed:

**Mr. S. Bradford Rives
Chief Financial Officer
LG&E Energy LLC
220 West Main Street
Louisville, KY 40202**

Name of Principal Holding Company Whose Subsidiaries are served by Reporting Company:

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ANNUAL REPORT TO THE SEC OF LG&E ENERGY SERVICES INC.
Schedule I Comparative Balance Sheet

Give balance sheet of the Company as of December 31 of the current and prior year.

	2004	2003
Service Company Property		
101 Service Company Property (Schedule II)	3,210,875	2,473,541
107 Construction Work in Progress (Schedule II)	1,096,931	944,604
Total Property	4,307,806	3,418,145
108 Less Accumulated Provision for Deprec & Amort (Schedule III)	-2,042,058	-1,101,757
Net Service Company Property	2,265,748	2,316,388
Investments		
123 Investments in Associate Co's (Schedule IV)	0	0
124 Other Investments (Schedule IV)	0	0
Total Investments	0	0
Current and Accrued Assets		
131 Cash	0	-4,701,159
134 Special Deposits	0	0
135 Working Funds	0	0
136 Temporary Cash Investments (Schedule IV)	0	0
141 Notes Receivable	0	0
143 Accounts Receivable	343,230	345,162
144 Accumulated Provision for Uncollectible Accounts	0	0
146 Accounts Receivable from Associate Co's (Schedule V)	65,723,948	72,583,796
152 Fuel Stock Expenses Undistributed (Schedule VI)	0	0
154 Materials and Supplies	0	0
163 Stores Expense Undistributed (Schedule VII)	0	0
165 Prepayments	113,961	77,819
174 Misc. Current & Accrued Assets (Schedule VIII)	0	0
Total Current and Accrued Assets	66,181,139	68,305,618
Deferred Debits		
181 Unamortized Debt Expense	0	0
184 Clearing Accounts	-33,699	23,958
186 Misc. Deferred Debits (Schedule IX)	9,837,253	9,487,256
188 Research, Develop. or Demonstrtn Expenditures (Schedule X)	0	0
190 Accumulated Deferred Income Taxes	0	0
Total Deferred Debits	9,803,554	9,511,214
TOTAL ASSETS AND OTHER DEBITS	78,250,441	80,133,220

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Proprietary Capital			
201	Common Stock Issued (Schedule XI)	100	100
211	Misc. Paid-In-Capital (Schedule XI)	900	900
215	Appropriated Retained Earnings	0	0
216	Unappropriated Retained Earnings (Schedule XI)	0	0
219	OCI Minimum Pension Liability	-10,488,057	-6,915,762
		<u>-10,487,057</u>	<u>-6,914,762</u>
Long-Term Debt			
223	Advances from Associate Co's (Schedule XII)	0	0
224	Other Long-Term Debt (Schedule XII)	0	0
225	Unamortized Premium on Long-Term Debt	0	0
226	Unamortized Discount on Long-Term Debt	0	0
		<u>0</u>	<u>0</u>
Total Long-Term Debt			
		<u>0</u>	<u>0</u>
Current and Accrued Liabilities			
228.3	Accumulated Provision for Pensions and Benefits	9,170,034	7,138,574
231	Notes Payable	0	0
232	Accounts Payable	87,455,054	77,438,464
233	Notes Payable to Associate Co's (Schedule XIII)	0	0
234	Accounts Payable to Associate Co's (Schedule XIII)	1,928,359	3,885,809
236	Taxes Accrued	6,025,875	9,936,575
237	Interest Accrued	0	0
238	Dividends Declared	0	0
241	Tax Collections Payable	250,934	940,377
242	Misc. Current & Accrued Liabilities (Schedule XIII)	5,606,452	5,493,821
		<u>110,436,708</u>	<u>104,833,620</u>
Total Current and Accrued Liabilities			
		<u>110,436,708</u>	<u>104,833,620</u>
Deferred Credits			
253	Other Deferred Credits	7,563,786	1,622,990
255	Accumulated Deferred Investment Tax Credits	0	0
		<u>7,563,786</u>	<u>1,622,990</u>
Total Deferred Credits			
		<u>7,563,786</u>	<u>1,622,990</u>
282	Accumulated Deferred Income Taxes	0	0
283	Deferred Income Tax Other	-29,262,996	-19,408,628
		<u>-29,262,996</u>	<u>-19,408,628</u>
TOTAL LIABILITIES AND PROPRIETARY CAPITAL			
		<u>78,250,441</u>	<u>80,133,220</u>

NOTE: Accounts Payable also includes accumulated provision for pensions, other deferred credits and other current liabilities

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ANNUAL REPORT TO THE SEC OF LG&E ENERGY SERVICES INC.
For the Year Ended December 31, 2004

Schedule II Service Company Property

Account	Description	Balance at Beginning of Year	Additions	Retirements	Balance at Close of Year
301	Organization	0	0	0	0
303	Misc. Intangible Plant	0	0	0	0
389	Land & Land Rights	0	0	0	0
390	Structures & Improvements	0	0	0	0
391	Office Furniture & Equipment	2,473,541	737,334	0	3,210,875
392	Transportation	0	0	0	0
397	Communication Equipment	0	0	0	0
399	Other Tangible Property	0	0	0	0
	Subtotal	2,473,541	737,334	0	3,210,875
107	Construction Work In Progress	944,604	20,130,269	19,977,942	1,096,931
	TOTAL	3,418,145	20,867,603	19,977,942	4,307,806

(1) Provide an explanation of those changes considered material:

None

(2) Subaccounts are required for each class of equipment owned. The Service Company shall provide a listing by subaccount of equipment additions during the year and the balance at the close of the year:

Subaccount Description	Additions	Balance at Close of Year
339110 Office Furniture	1,385	377,682
339120 Office Equipment	0	4,590
339131 Personal Computer Equipment	735,949	2,828,603
Total	737,334	3,210,875

(3) Describe other Service Company Property:

None

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For the Year Ended December 31, 2004

Schedule III Accumulated Provision for Depreciation and Amortization of Service Company Property

Account	Description	Balance at Beginning of Year	Debits	Credits	Balance at Close of Year
301	Organization	0	0	0	0
303	Misc. Intangible Plant	0	0	0	0
389	Land & Land Rights	0	0	0	0
390	Structures & Improvements	0	0	0	0
391	Office Furniture & Equipment	1,101,757	939,307	1,879,608	2,042,058
392	Transportation	0	0	0	0
397	Communication Equipment	0	0	0	0
399	Other Tangible Property	0	0	0	0
	TOTAL	1,101,757	939,307	1,879,608	2,042,058

(1)

Provide an explanation of those changes considered material:

None

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For the Year Ended December 31, 2004

Schedule IV Investments

Instructions:

Complete the following schedule concerning investments. Under Account 124 "Other Investments," state each investment separately, with description, including, the name of issuing company, number of shares or principal amount, etc. Under Account 136, "Temporary Cash Investment," list each investment separately.

Description	Balance at	
	Beginning of Year	Close of Year
Account 123 Investment in Associate Companies	0	0
Account 124 Investment (Options on land purchase)	0	0
Account 136 Temporary Cash Investment	0	0
	0	0

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ANNUAL REPORT TO THE SEC OF LG&E ENERGY SERVICES INC.
For the Year Ended December 31, 2004

Schedule V Accounts Receivable from Associate Companies

Instructions:

Complete the following schedule listing accounts receivable from each associate company. Where the service company has provided accommodation or convenience payments for associate companies, a separate listing of total payments for each associate company by subaccount should be provided.

Account 146 Accounts Receivable from Associate Companies

Description	Balance at Beginning of Year	Balance at End of Year
LG&E Enertech Inc.	0	0
LG&E Home Services Inc.	6,812	5,246
LG&E Capital Corp.	26,799,945	24,703,699
Louisville Gas and Electric Company	20,624,453	20,396,400
Kentucky Utilities Company	18,787,045	17,856,117
Western Kentucky Energy Corp.	1,558,895	1,965,576
LG&E Energy LLC	2,841,667	595,195
LG&E Energy Marketing Inc. (Discontinued)	1,155,444	0
E.ON UK	309,275	979
LG&E Energy Foundation Inc.	39,920	4,369
E.ON AG	271,951	43,890
E.ON NA	1,332	0
Sydkraft AB	182,718	151,975
FSF Minerals	168	243
FCD LLC	187	259
LPD Tiger Creek Management	3,984	0
TOTAL	72,583,796	65,723,948

Analysis of Convenience or Accommodation Payments:

	Amount
Louisville Gas and Electric Company	15,845,686
LG&E Capital Corp.	456,646
Kentucky Utilities Company	16,710,923
Western Kentucky Energy Corp.	6,883,258
CRC-Evans International Inc.	0
LG&E Power Inc.	1,612,132
	41,508,645

Convenience payments result primarily from the following items:

Risk Management Insurance	11,952,307
Workers Comp Insurance	1,586,678
Pension Benefit Guaranty	1,264,573

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Long Term Disability Insurance	570,438
Life Insurance	1,814,107
Dental Insurance	1,567,573
Medical Insurance	19,990,610
401k Employer Match	2,762,359
	<hr/>
	41,508,645
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ANNUAL REPORT TO THE SEC OF LG&E ENERGY SERVICES INC.
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Schedule VI Fuel Stock Expenses Undistributed

Instructions:

Report the amount of labor and expenses incurred with respect to fuel stock expenses during the year and indicate amount attributable to each associated company. Under the section headed "Summary" listed below give an overall report of the fuel functions performed by the service company.

Description	Labor	Expenses	Total
Account 152 Fuel Stock Expenses Undistributed	0	0	0
TOTAL	0	0	0

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ANNUAL REPORT TO THE SEC OF LG&E ENERGY SERVICES INC.
For the Year Ended December 31, 2004

Schedule VII Stores Expense Undistributed

Instructions:

Report the amount of labor and expenses incurred with respect to stores expense during the year and indicate amount attributable to each associate company.

Description	Labor	Expenses	Total
Account 163 Stores Expense Undistributed	0	0	0
TOTAL	0	0	0

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ANNUAL REPORT TO THE SEC OF LG&E ENERGY SERVICES INC.
For the Year Ended December 31, 2004

Schedule VIII Miscellaneous Current and Accrued Assets

Instructions:

Provide detail of items in this account. Items less than \$10,000 may be grouped, showing the number of items in each group.

Description	Balance at	
	Beginning of Year	Close of Year
Account 174 Miscellaneous Current and Accrued Assets	0	0
	0	0

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ANNUAL REPORT TO THE SEC OF LG&E ENERGY SERVICES INC.
 For the Year Ended December 31, 2004

Schedule IX Miscellaneous Deferred Debits

Instructions:

Provide detail of items in this account. Items less than \$10,000 may be grouped by class showing the number of items in each class.

Description	Balance at	
	Beginning of Year	Close of Year
Account 186 Miscellaneous Deferred Debits		
Intangible Pension Asset	9,487,256	9,837,253
	<u>9,487,256</u>	<u>9,837,253</u>

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ANNUAL REPORT TO THE SEC OF LG&E ENERGY SERVICES INC.
For the Year Ended December 31, 2004

Schedule X Research, Development or Demonstration Expenditures

Instruction:

Provide a description of each material research, development, or demonstration project which incurred costs by the service corporation during the year.

Description	Direct Costs Charged
Account 188 Research, Development, or Demonstration Expenditures	0
TOTAL	0

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For the Year Ended December 31, 2004

Schedule XI Proprietary Capital

Account No.	Class of Stock	Number of Shares Authorized	Par or Stated Value per Share	Outstanding Close of Period	
				No. of Shares	Total Amount
201	Common Stock	1,000	\$ 0	100	\$ 100.00

Instructions:

Classify amounts in each account with brief explanation, disclosing the general nature of transactions which give rise to the reported amounts.

Description	Amount
Account 201 Common Stock	100
Account 211 Contributed Capital Misc.	900
Account 214 Other Comprehensive Income Minimum Pension Liability	0
Account 215 Appropriated Retained Earnings	0
Account 219 OCI Minimum Pension Liability	-10,488,057
TOTAL	-10,487,057

Instructions:

Give particulars concerning net income or (loss) during the year, distinguishing between compensation for the use of capital owed or net loss remaining from servicing non-associates per the General Instructions of the Uniform System of Accounts. For dividends paid during the year in cash or otherwise, provide rate percentage, amount of dividend, date declared and date paid.

Account 216 Unappropriated Retained Earnings	NONE
--	------

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ANNUAL REPORT TO THE SEC OF LG&E ENERGY SERVICES INC.
For the Year Ended December 31, 2004

Schedule XII Long Term Debt

Instructions:

Advances from associate companies should be reported separately for advances on notes, and advances on open account. Names of associate companies from which advances were received shall be shown under the class and series of obligation column. For Account 224 Other Long-Term Debt provide the name of creditor company or organization, terms of the obligation, date of maturity, interest rate, and the amount authorized and outstanding.

Name of Creditor	Terms of Obligation Class & Series of Obligation	Date of Maturity	Interest Rate	Amount Authorized	Balance at Beginning of Year	Additions	Deductions	Balance at Close of Year
Account 223 Advances from Associate Companies				NONE	0	0	0	0
Account 224 Other Long-Term Debt					0	0	0	0
TOTAL					0	0	0	0

Give an explanation of Deductions:
NONE

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For the Year Ended December 31, 2004

Schedule XIII Current and Accrued Liabilities

Instructions:

Provide balance of notes and accounts payable to each associate company. Give description and amount of miscellaneous current and accrued liabilities. Items less than \$10,000 may be grouped, showing the number of items in each group.

Description	Balance at	
	Beginning of Year	Close of Year
Account 233 Notes Payable to Associate Companies	NONE	NONE
Account 234 Accounts Payable to Associate Companies		
LG&E Capital Corp.	1,370,134	580,368
LG&E Enertech Inc.	0	0
Louisville Gas and Electric Company	179,489	180,959
Kentucky Utilities Company	1,138,131	89,006
Western Kentucky Energy Corp.	5,547	21,516
LG&E Home Services Inc.	63	0
LG&E Energy LLC	439,997	985,196
LPD Tiger Creek	0	0
E.ON AG	40,656	46,713
E.ON UK	711,792	24,601
TOTAL	3,885,809	1,928,359
Account 242 Miscellaneous Current and Accrued Liabilities		
Misc. Liability Vested Vacation	5,493,821	5,606,452
TOTAL	5,493,821	5,606,452

ANNUAL REPORT TO THE SEC OF LG&E ENERGY SERVICES INC.
For the Year Ended December 31, 2004

Schedule XIV Notes to Financial Statements

Instructions:

The space below is provided for important notes regarding the financial statements or any account thereof. Furnish particulars as to any significant contingent assets or liabilities existing at the end of the year. Notes relating to financial statements shown elsewhere in this report may be indicated here by reference.

Note 1 Organization of the Company

LG&E Energy Services Inc., a Kentucky corporation (the Company or SERVCO), is a wholly-owned subsidiary of LG&E Energy LLC (LEL), a registered public utility holding company under the Public Utility Holding Company Act of 1935 (PUHCA). On December 30, 2003, LEL became the successor by assignment and subsequent merger, to all the assets and liabilities of the former LG&E Energy Corp. (LEC). Following the transaction, LEL, became a registered holding company under PUHCA. The Company was authorized to conduct business as a service company for LEC and its various subsidiaries by order of the Securities and Exchange Commission (SEC) dated December 6, 2000, and commenced operations January 1, 2001.

On July 1, 2002, E.ON AG (E.ON) completed its acquisition of Powergen plc, now Powergen Limited, which includes LEL, for approximately £5.1 billion (\$7.3 billion). Following the acquisition, E.ON became a registered holding company under PUHCA. As contemplated in their regulatory filings in connection with the E.ON acquisition, E.ON, Powergen and LG&E Energy completed an administrative reorganization to move the LG&E Energy group from an indirect Powergen subsidiary to an indirect E.ON subsidiary. This reorganization was effective in March 2003. In early 2004, LEL began direct reporting arrangements to E.ON.

The Company provides certain services to affiliated entities, including Louisville Gas and Electric Company (LG&E) and Kentucky Utilities Company (KU), at cost as required under PUHCA. On January 1, 2001, approximately 1,000 employees, mainly from LEC, LG&E and KU, were moved to the Company. The Company is organized along functional lines to accomplish its purpose of providing management, administrative, and technical services. These services are priced so that the Company operates on a break-even basis.

The Company follows the Uniform System of Accounts prescribed by the SEC, and maintains its accounts in accordance with PUHCA. The accounting policies of the Company conform to U.S. generally accepted accounting principles (GAAP).

Note 2 Summary of Significant Accounting Policies

A. Management's Use of Estimates

The preparation of financial statements in conformity with GAAP requires management to make estimates and assumptions that affect the reported assets and liabilities and disclosure of contingent items at the date of the financial statements and the reported amounts of revenues and expenses during the reporting period. Actual results could differ from those estimates.

B. Property

Property, plant and equipment includes property that is in use and under construction, and is reported at cost. Depreciation is computed on a straight-line basis. Office furniture is depreciated over 30 years and personal computers are depreciated over 3 years.

C. Income Taxes

The Company accounts for income taxes pursuant to Statement of Financial Accounting Standards No. 109 "Accounting For Income Taxes" (FAS 109). This standard requires that deferred income taxes be recorded for all temporary differences between the financial statement and tax basis of assets, liabilities and loss carryforwards. Deferred tax balances are based on enacted tax laws at tax rates that are expected to be in effect when the temporary differences reverse. Through December 31, 2004, the Company was part of the E.ON US Investments Corp. consolidated Federal income tax return, which includes LEL and all other eligible U.S. subsidiaries.

D. Pension and Other Post-retirement Benefits

The Company has both funded and unfunded noncontributory defined benefit pension plans that together cover substantially all of its employees. The plans provide defined benefits based on years of service and final average salary.

The Company also offers other post-retirement benefit plans to eligible employees. The post-retirement health care plan is contributory with participants' contributions adjusted annually. The plan includes a limit on the Company's share of costs for recent and future retirees with a fixed employer contribution. Postretirement life insurance is also offered and is noncontributory.

The Company uses December 31 as the measurement date for its plans.

Note 3 Common Stock

The Company is authorized to issue 1,000 shares of common stock, no par value per share. At December 31, 2004, there were 1,000 shares authorized and 100 shares issued and outstanding. LEL holds all of the Company's common stock.

Note 4 Related Party Transactions

A. Service Agreements

The Company engages in transactions in the normal course of business with other LEL subsidiaries. These transactions are primarily composed of services received and/or rendered. The Company has entered into Service Agreements and Service Level Agreements with affiliates that receive these services.

B. Money Pool

The Company operates the Utility Money Pool and the Non-Utility Money Pool, including recordkeeping and coordination of loans, to more effectively utilize cash resources and to reduce outside short-term borrowings. Both Money Pools are administered on an "at-cost" basis.

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ANNUAL REPORT TO THE SEC OF LG&E ENERGY SERVICES INC.

For the Year Ended December 31, 2004

Schedule XV Statement of Income

Account	Description	2004	2003
INCOME			
457	Services Rendered to Associate Companies	239,162,991	308,493,204
458	Services Rendered to Non-Associate Companies	0	0
421	Miscellaneous Income and Loss	0	0
TOTAL INCOME		239,162,991	308,493,204
EXPENSES			
920	Salaries and Wages	87,173,781	88,176,947
921	Office Supplies and Expenses	49,358,776	70,450,959
922	Administrative Expenses Transferred Credit	0	0
923	Outside Services Employed	61,239,874	124,415,229
924	Property Insurance	24,388	13,246
925	Injuries and Damages	-26,632	70,696
926	Employee Pensions and Benefits	16,602,891	6,852,424
928	Regulatory Commission Expenses	273,161	68
930.1	General Advertising Expenses	1,503,468	254,180
930.2	Miscellaneous General Expenses	2,307,736	202,725
931	Rents	0	1,382
932	Maintenance of Structures and Equipment	0	0
935	Maintenance Communication Equipment	48,860	11,323
403	Depreciation and Amortization Expense	948,141	710,679
408	Taxes other than Income Taxes	5,508,213	4,513,283
409	Income Taxes	7,948,775	5,786,872
410	Provision for Deferred Income Taxes	-7,948,775	-5,786,872
411	Provision for Deferred Income Taxes Credit	0	0
411.5	Investment Tax Credit	0	0
426.1	Donations	368,650	251,252
426.2	Life Insurance	0	0
426.3	Penalties	10,653	25,075
426.4	Civic, Political & Related Act.	900,065	973,996
426.5	Other Deductions	12,920,966	11,569,376
427	Interest on Long Term Debt	0	0
430	Interest on Debt to Associate Companies	0	0
431	Other Interest Expense	0	0
566	Misc. Trans. Exp.	0	364
588	Misc. Distrib. Exp.	0	0
TOTAL EXPENSE		239,162,991	308,493,204
NET INCOME (LOSS)		0	0

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ANNUAL REPORT TO THE SEC OF LG&E ENERGY SERVICES INC.

For the Year Ended December 31, 2004

Analysis of Billing

Associate Companies Account 457

NAME OF ASSOCIATE COMPANY	DIRECT COSTS CHARGED	INDIRECT COSTS CHARGED	COMPENSATION FOR USE OF CAPITAL	TOTAL AMOUNT BILLED
Louisville Gas and Electric Company	88,694,644	9,628,408	0	98,323,052
Kentucky Utilities Company	78,471,583	8,431,596	0	86,903,179
Western Kentucky Energy Corp.	6,259,652	668,353	0	6,928,005
LG&E Energy LLC	0	0	0	0
LG&E Capital Corp.	23,403,946	3,344,164	0	26,748,110
LG&E Enertech Inc.	6,747	0	0	6,747
LG&E Credit Corp.	0	0	0	0
KU Solutions	275,665	0	0	275,665
LPI Power Gen	5,499,436	201,430	0	5,700,866
LG&E Energy Marketing Inc. (Continuing)	3,590,349	452,811	0	4,043,160
LG&E International	6,000	0	0	6,000
LG&E Argentina	2,633,119	0	0	2,633,119
LG&E Power Development Inc. (Fairfax)	322,646	74,525	0	397,171
LG&E Energy Marketing Gas Facilities	-283	0	0	-283
LG&E Energy Marketing Inc. (Discontinued)	3,466,207	938,737	0	4,404,944
CRC Evans	0	0	0	0
E.ON UK	2,104,116	90,066	0	2,194,182
LG&E Energy Foundation Inc.	60,704	0	0	60,704
LPD Tiger Creek Management	-274,509	90,066	0	-184,443
Sydkraft AB	18,771	0	0	18,771
E.ON AG	704,042	0	0	704,042
TOTAL	215,242,835	23,920,156	0	239,162,991

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ANNUAL REPORT TO THE SEC OF LG&E ENERGY SERVICES INC.
 For the Year Ended December 31, 2004
 Analysis of Billing

Non-associate Companies Account 458

Instruction:

Provide a brief description of the services rendered to each non-associate company:

NAME OF NON-ASSOCIATE COMPANY	DIRECT COSTS CHARGED	INDIRECT COSTS CHARGED	COMPENSATION FOR USE OF CAPITAL	TOTAL AMOUNT BILLED
NONE	0	0	0	0
TOTAL	0	0	0	0

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ANNUAL REPORT TO THE SEC OF LG&E ENERGY SERVICES INC.
For the Year Ended December 31, 2004

Schedule XVI Analysis of Charges for Service Associate and Non-associate Companies

ACCOUNT	DESCRIPTION OF ITEMS	ASSOCIATE COMPANY CHARGES			NON-ASSOCIATE COMPANY CHARGES			TOTAL CHARGES		
		DIRECT COST	INDIRECT COST	TOTAL	DIRECT COST	INDIRECT COST	TOTAL	DIRECT COST	INDIRECT COST	TOTAL
920	Salaries & Wages	73,170,287	14,003,494	87,173,781	0	0	0	73,170,287	14,003,494	87,173,781
921	Office Supplies & Expenses	46,600,827	2,757,949	49,358,776	0	0	0	46,600,827	2,757,949	49,358,776
922	Administrative Expense	0	0	0	0	0	0	0	0	0
923	Outside Services Employed	58,826,412	2,413,462	61,239,874	0	0	0	58,826,412	2,413,462	61,239,874
924	Property Insurance	24,388	0	24,388	0	0	0	24,388	0	24,388
925	Injuries and Damages	515	-27,147	-26,632	0	0	0	515	-27,147	-26,632
926	Employee Pensions and Benefits	13,644,850	2,958,041	16,602,891	0	0	0	13,644,850	2,958,041	16,602,891
928	Regulatory Commission Expense	273,161	0	273,161	0	0	0	273,161	0	273,161
930.1	General Advertising Expense	1,503,468	0	1,503,468	0	0	0	1,503,468	0	1,503,468
930.2	Miscellaneous General Expenses	2,266,576	41,160	2,307,736	0	0	0	2,266,576	41,160	2,307,736
931	Rents	0	0	0	0	0	0	0	0	0
932	Maintenance of Structures and Equipment	0	0	0	0	0	0	0	0	0
935	Maintenance-Communication Equipment	48,860	0	48,860	0	0	0	48,860	0	48,860
403	Depreciation and Amortization Expenses	948,141	0	948,141	0	0	0	948,141	0	948,141
408	Taxes Other than Income Taxes	4,253,535	1,254,678	5,508,213	0	0	0	4,253,535	1,254,678	5,508,213
409	Income Taxes	7,948,775	0	7,948,775	0	0	0	7,948,775	0	7,948,775
410	Provision for Deferred Income Taxes	-7,948,775	0	-7,948,775	0	0	0	-7,948,775	0	-7,948,775
411	Provision for Deferred Income Taxes Credit	0	0	0	0	0	0	0	0	0
411.5	Investment Tax Credit	0	0	0	0	0	0	0	0	0
426.1	Donations	361,570	7,080	368,650	0	0	0	361,570	7,080	368,650
426.2	Life Insurance	0	0	0	0	0	0	0	0	0
426.3	Penalties	10,653	0	10,653	0	0	0	10,653	0	10,653
426.4	Civic, Political & Related Act.	900,065	0	900,065	0	0	0	900,065	0	900,065
426.5	Other Deductions	12,697,300	223,666	12,920,966	0	0	0	12,697,300	223,666	12,920,966
427	Interest on Long Term Debt	0	0	0	0	0	0	0	0	0
430	Interest on Debt to Associate Companies	0	0	0	0	0	0	0	0	0
431	Other Interest Expense	0	0	0	0	0	0	0	0	0
566	Misc Trans. Exp.	0	0	0	0	0	0	0	0	0
588	Misc Distrib. Exp.	0	0	0	0	0	0	0	0	0
	TOTAL EXPENSES	215,530,608	23,632,383	239,162,991	0	0	0	215,530,608	23,632,383	239,162,991
	457.3 Compensation for Use of Equity	0	0	0	0	0	0	0	0	0
	430s Interest on Debt to Associate Co	0	0	0	0	0	0	0	0	0
	TOTAL COST OF SERVICE	215,530,608	23,632,383	239,162,991	0	0	0	215,530,608	23,632,383	239,162,991

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For the Year Ended December 31, 2004

Schedule XVII Schedule of Expense
Distribution by Department or Service Function

Instructions:

Indicate each department or service function.

(See Instruction 01-3 General Structure of Accounting System:Uniform System of Accounts).

ACCT	DESCRIPTION	TOTAL	SALES/MKTG	CUST SVC	METERING	REVENUE COLLECT	POWER GENERATION	FUEL PROCURE	TRANSMN
901	Supervision	0	0	0	0	0	0	0	0
920	Salaries and Wages	87,173,781	2,066,296	4,434,678	233,748	765,811	3,653,794	1,069,164	4,823,337
921	Office Supplies and Expenses	49,358,776	1,234,548	1,427,498	19,409	138,440	3,806,354	318,084	1,299,215
922	Administrative Expenses Transferred Credit	0	0	0	0	0	0	0	0
923	Outside Services Employed	61,239,874	997,654	7,121,654	83	79,825	15,277,669	72,868	1,193,576
924	Property Insurance	24,388	0	0	0	0	0	0	0
925	Injuries and Damages	-26,632	0	0	0	0	0	0	0
926	Employee Pensions and Benefits	16,602,891	0	0	0	0	9,344	0	0
928	Regulatory Commission Expenses	273,161	0	0	0	0	0	0	0
930.1	General Advertising Expenses	1,503,468	0	0	0	0	0	0	0
930.2	Miscellaneous General Expenses	2,307,736	0	26,949	0	0	0	117,250	0
931	Rents	0	0	0	0	0	0	0	0
932	Maintenance of Structures and Equipment	0	0	0	0	0	0	0	0
935	Maintenance-Communication Equipment	48,860	0	0	0	0	0	0	901
403	Depreciation and Amortization Expense	948,141	0	0	0	0	0	0	0
408	Taxes other than Income Taxes	5,508,213	0	0	0	0	0	0	0
409	Income Taxes	7,948,775	0	0	0	0	0	0	0
410	Provision for Deferred Income Taxes	-7,948,775	0	0					