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PUBLIC SERVICE
COMMISSION

Elizabeth O'Donnell
Executive Director
Kentucky Public Service Commission
211 Sower Boulevard
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

February 13, 2008

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

**RE: *AN EXAMINATION OF THE APPLICATION OF THE FUEL
ADJUSTMENT CLAUSE OF KENTUCKY UTILITIES COMPANY
FROM MAY 1, 2007 THROUGH OCTOBER 31, 2007
CASE NO. 2007-00524***

Dear Ms. O'Donnell:

Enclosed please find an original and five (5) copies of the Response of Kentucky Utilities Company to Information Requested in Appendix A of the Commission's Order dated January 23, 2008, in the above-referenced proceeding.

Also enclosed are an original and ten (10) copies of a Petition for Confidential Protection regarding information provided in response to Question No. 17.

Please contact me if you have any questions concerning this filing.

Sincerely,

Robert M. Conroy

Enclosures

COMMONWEALTH OF KENTUCKY
BEFORE THE PUBLIC SERVICE COMMISSION

In the Matter of:

AN EXAMINATION OF THE)	
APPLICATION OF THE FUEL)	
ADJUSTMENT CLAUSE OF KENTUCKY)	CASE NO. 2007-00524
UTILITIES COMPANY FROM MAY 1,)	
2007 THROUGH OCTOBER 31, 2007)	

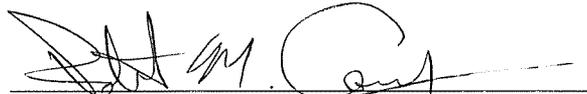
RESPONSE OF
KENTUCKY UTILITIES COMPANY
TO
INFORMATION REQUESTED IN
APPENDIX A OF COMMISSION'S ORDER
DATED JANUARY 23, 2008

FILED: February 13, 2008

VERIFICATION

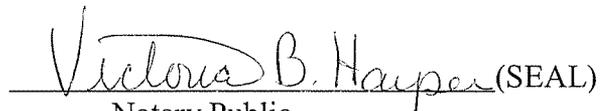
STATE OF KENTUCKY)
) SS:
COUNTY OF JEFFERSON)

The undersigned, **Robert M. Conroy**, being duly sworn, deposes and says that he is the Manager, Rates for E.ON U.S. Services Inc., that he has personal knowledge of the matters set forth in the responses (Question Nos. 4, 11, 19, and 20), and the answers contained therein are true and correct to the best of his information, knowledge and belief.



ROBERT M. CONROY

Subscribed and sworn to before me, a Notary Public in and before said County and State, this 12th day of February, 2008.



Notary Public

My Commission Expires:

Sept 20, 2010

KENTUCKY UTILITIES COMPANY

**Response to Information Requested in Appendix A of
Commission's Order Dated January 23, 2008**

Case No. 2007-00524

Question No. 1

Witness: Mike Dotson

Q-1. For the period from May 1, 2007 through October 31, 2007, list each vendor from whom coal was purchased and the quantities and the nature of each purchase (e.g., spot or contract).

A-1. Please see attached sheet.

<u>VENDOR</u>	<u>PURCHASE TONNAGE</u>	<u>PURCHASE TYPE</u>
Alpha Coal	207,001	Contract
Arch Coal	122	Spot
Arch Coal	102,545	Contract
Black Beauty	110,731	Contract
Central Coal Company	152,273	Contract
Charolais	51,764	Spot
Charolais	255,001	Contract
COAL SALES	115,603	Contract
COAL SALES	128,475	Spot
Consol	558,345	Contract
Hopkins County Coal	124,265	Contract
ICG, LLC	183,081	Contract
Infinity Coal Sales, LLC	388,458	Contract
Little Elk	268,115	Contract
Massey	30,132	Contract
Nally & Hamilton	155,535	Contract
Perry County	213,611	Contract
Pleasant View	49,903	Spot
Progress	194,026	Contract
Sands Hill	40,832	Contract
Smoky Mnt	207,286	Contract
The American Coal Co.	14,718	Spot
Williamson Energy	<u>1,448</u>	Spot
TOTAL	<u>3,553,267</u>	

KENTUCKY UTILITIES COMPANY

**Response to Information Requested in Appendix A of
Commission's Order Dated January 23, 2008**

Case No. 2007-00524

Question No. 2

Witness: Mike Dotson / J. Scott Cooke

Q-2. For each generating station or unit for which a separate coal pile is maintained, state for the period from May 1, 2007 through October 31, 2007 the actual amount of coal burned in tons, the actual amount of coal deliveries in tons, the total kWh generated, and the actual capacity factor at which the plant operated.

A-2. The North American Electric Reliability Council Generation Availability Data System defines Capacity Factor as the value equal to the Net MWH produced divided by the product of the hours in the period times the unit rating. Please see chart below:

Plant	Coal Burn (Tons)	Coal Receipts (Tons)	Net MWH	Capacity Factor (Net MWH)/ (period hrs x MW rating)
E. W. Brown 1, 2, 3	866,713	823,378	2,037,342	66.2%
Ghent HS coal	1,240,642	1,108,706	2,741,145	65.0%
Ghent Compliance coal	1,435,634	1,268,269	3,323,907	77.0%
Green River 3, 4	256,358	249,722	522,893	72.6%
Tyrone 3	112,273	103,193	220,766	70.4%

KENTUCKY UTILITIES COMPANY

**Response to Information Requested in Appendix A of
Commission's Order Dated January 23, 2008**

Case No. 2007-00524

Question No. 3

Witness: J. Scott Cooke

Q-3. List all firm power commitments for KU from May 1, 2007 through October 31, 2007 for (a) purchases and (b) sales. This list shall identify the electric utility, the amount of commitment in MW, and the purpose of the commitment (e.g., peaking, emergency).

A-3. a. Firm purchases

The firm purchases from Owensboro Municipal Utilities ("OMU") for the review period are shown below. KU has described the status of the litigation associated with the OMU contract and OMU's notice of termination of the contract in numerous responses to requests for information issued in the Commission's six-month and two-year investigations of the operation of KU's fuel adjustment clause. On June 11, 2007, KU had filed a Motion to Reconsider the Court's July 22, 2005 Partial Summary Judgment Order relating to the termination issue. However, on November 29, 2007, the Court denied that motion, reaffirming its prior ruling in favor of OMU on the voluntary right to terminate. If this ruling is upheld, the OMU contract will expire in May 2010. KU's resource planning assumes the contract will terminate in May 2010.

<u>Utility</u>	<u>MW</u>	<u>Purpose</u>
Owensboro Municipal Utilities	~ 174 MW	Baseload

KU purchased their participation ratio (2.5%) of the released capacity for the months in question:

<u>Utility</u>	<u>Companies'</u> <u>Amt (MW)</u>	<u>KU Portion</u> <u>(MW)</u>	<u>Purpose</u>
OVEC (May 2007)	~ 154	~ 47	Baseload
OVEC (June 2007)	~ 176	~ 54	Baseload
OVEC (July 2007)	~ 174	~ 54	Baseload
OVEC (Aug 2007)	~ 174	~ 54	Baseload
OVEC (Sep 2007)	~ 163	~ 50	Baseload
OVEC (Oct 2007)	~ 153	~ 47	Baseload

b. Sales
NONE

KENTUCKY UTILITIES COMPANY

**Response to Information Requested in Appendix A of
Commission's Order Dated January 23, 2008**

Case No. 2007-00524

Question No. 4

Witness: Robert M. Conroy

Q-4. Provide a monthly billing summary for sales to all electric utilities for the period May 1, 2007 through October 31, 2007.

A-4. Please see the attached sheets.

Kentucky Utilities Company

POWER TRANSACTION SCHEDULE

Company	Type of Transaction	KWH	Demand(\$)	Billing Components			Total Charges(\$)
				Fuel Charges(\$)	Other Charges(\$)		
Month Ended: May 31, 2007							
Sales							
MIDWEST INDEPENDENT TRANSMISSION SYSTEM OPERATOR, INC.	Economy	28,000	\$	1,146.33	\$	648.13	\$ 1,794.46
MIDWEST CONTINGENCY RESERVE SHARING GROUP	Economy	1,000		70.46		47.07	117.53
ASSOCIATED ELECT COOPERATIVE	Economy	23,000		659.29		372.77	1,032.06
AMERICAN ELECTRIC POWER SERVICE CORP.	Economy	30,000		802.57		545.09	1,347.66
BP ENERGY COMPANY	Economy	1,000		41.44		28.15	69.59
CARGILL- ALLIANT, LLC	Economy	20,000		563.52		382.73	946.25
CITIGROUP ENERGY, INC.	Economy	5,000		166.31		112.95	279.26
COBB ELECTRIC MEMBERSHIP CORPORATION	Economy	10,000		309.92		210.50	520.42
CONSTELLATION ENERGY COMDS. GRP. INC.	Economy	12,000		312.33		211.50	523.83
DTE ENERGY TRADING, INC.	Economy	1,000		33.30		22.62	55.92
EAST KENTUCKY POWER COOPERATIVE	Economy	2,000		57.23		38.87	96.10
FORTIS ENERGY MARKETING & TRADING GP	Economy	17,000		492.81		334.70	827.51
ILLINOIS MUNICIPAL ELECTRIC AGENCY	Economy	1,000		35.21		23.92	59.13
INDIANA MUNICIPAL POWER AGENCY	Economy	1,000		35.95		24.41	60.36
MERRILL LYNCH COMMODITIES INC.	Economy	14,000		383.68		260.59	644.27
PROGRESS ENERGY VENTURES INC.	Economy	3,000		88.43		60.06	148.49
SEMPRA ENERGY TRADING CORP.	Economy	2,000		55.41		37.64	93.05
THE ENERGY AUTHORITY	Economy	1,000		26.27		17.84	44.11
TENNESSEE VALLEY AUTHORITY	Economy	13,000		379.00		257.41	636.41
WILLIAMS ENERGY MARKETING & TRADING CO	Economy	10,000		283.26		192.39	475.65
WESTAR ENERGY, INC.	Economy	1,000		30.61		20.79	51.40
MISCELLANEOUS				57.40		(57.40)	-
OWENSBORO MUNICIPAL UTILITIES	Economy	107,000		8,652.14		756.15	9,408.29
OWENSBORO MUNICIPAL UTILITIES	Allowances	-		-		10.00	10.00
LOUISVILLE GAS & ELECTRIC	Economy	86,015,000		2,161,668.28		712,561.99	2,874,230.27
TOTAL		86,318,000	0.00	2,176,351.15	\$	717,120.87	\$ 2,893,472.02

Kentucky Utilities Company

POWER TRANSACTION SCHEDULE

Company	Type of Transaction	KWH	Demand(\$)	Billing Components			Total Charges(\$)
				Fuel Charges(\$)	Other Charges(\$)		
Month Ended: June 30, 2007							
Sales							
MIDWEST INDEPENDENT TRANSMISSION SYSTEM OPERATOR, INC.	MISO	309,000	\$	9,223.96	\$	6,588.46	\$ 15,812.42
MIDWEST CONTINGENCY RESERVE SHARING GROUP	MCRS	14,000		895.56		738.62	1,634.18
ASSOCIATED ELECT COOPERATIVE	AECI	174,000		4,652.41		3,323.10	7,975.51
AMERICAN ELECTRIC POWER SERVICE CORP.	AEP	418,000		12,464.42		8,903.06	21,367.48
BP ENERGY COMPANY	BP	6,000		239.26		195.44	434.70
CARGILL- ALLIANT, LLC	CARG	225,000		6,041.78		4,315.50	10,357.28
CITIGROUP ENERGY, INC.	CITI	26,000		786.57		561.83	1,348.40
COBB ELECTRIC MEMBERSHIP CORPORATION	COBB	207,000		6,748.19		4,820.08	11,568.27
CONSTELLATION ENERGY COMDS. GRP. INC.	CONS	646,000		19,533.28		13,952.25	33,485.53
DTE ENERGY TRADING, INC.	DTE	49,000		1,166.79		833.42	2,000.21
EAST KENTUCKY POWER COOPERATIVE	EKPC	226,000		8,964.01		6,402.80	15,366.81
FORTIS ENERGY MARKETING & TRADING GP	FORT	193,000		5,541.83		3,958.40	9,500.23
ILLINOIS MUNICIPAL ELECTRIC AGENCY	IMEA	158,000		6,561.41		4,686.67	11,248.08
INDIANA MUNICIPAL POWER AGENCY	IMPA	105,000		4,962.74		3,544.77	8,507.51
KANSAS CITY POWER & LIGHT	KCPL	65,000		2,105.97		1,504.26	3,610.23
MERRILL LYNCH COMMODITIES INC.	MLCM	120,000		3,601.17		2,565.11	6,166.28
SEMPRA ENERGY TRADING CORP.	SEMP	101,000		3,176.14		2,268.65	5,444.79
THE ENERGY AUTHORITY	TEA	232,000		7,809.01		5,577.81	13,386.82
TENASKA POWER SERVICES CO.	TPS	24,000		546.52		397.49	944.01
TRANSALTA ENERGY MARKETING (U.S.) INC.	TALT	4,000		107.58		87.87	195.45
TENNESSEE VALLEY AUTHORITY	TVA	603,000		16,772.50		11,980.21	28,752.71
WILLIAMS ENERGY MARKETING & TRADING CO	WESC	6,000		126.25		103.99	230.24
WESTAR ENERGY, INC.	WSTR	11,000		287.82		235.11	522.93
MISCELLANEOUS				5.16		(5.16)	-
OWENSBORO MUNICIPAL UTILITIES	OMU	4,821,000		283,175.51		26,063.77	309,239.28
OWENSBORO MUNICIPAL UTILITIES	OMU			-		8,216.00	8,216.00
LOUISVILLE GAS & ELECTRIC	LGE	86,951,000		2,153,158.88		740,761.09	2,893,919.97
TOTAL		95,694,000	0.00	\$ 2,558,654.72	\$ 862,580.60	\$	\$ 3,421,235.32

Kentucky Utilities Company

POWER TRANSACTION SCHEDULE

Company	Type of Transaction	KWH	Demand(\$)	Billing Components			Total Charges(\$)
				Fuel Charges(\$)	Other Charges(\$)		
Month Ended: July 31, 2007							
<u>Sales</u>			\$	\$	\$	\$	\$
MIDWEST INDEPENDENT TRANSMISSION SYSTEM OPERATOR, INC.	Economy	272,000		8,863.54	7,100.32	15,963.86	
MIDWEST CONTINGENCY RESERVE SHARING GROUP	Economy	10,000		581.61	483.85	1,065.46	
ASSOCIATED ELECT COOPERATIVE	Economy	78,000		1,982.75	1,588.45	3,571.20	
AMERICAN ELECTRIC POWER SERVICE CORP.	Economy	440,000		11,933.27	9,560.18	21,493.45	
BP ENERGY COMPANY	Economy	6,000		169.96	141.16	311.12	
CARGILL- ALLIANT, LLC	Economy	244,000		6,207.89	4,973.38	11,181.27	
CITIGROUP ENERGY, INC.	Economy	15,000		479.52	398.29	877.81	
COBB ELECTRIC MEMBERSHIP CORPORATION	Economy	61,000		1,487.19	1,235.24	2,722.43	
CONSTELLATION ENERGY COMDS. GRP. INC.	Economy	407,000		10,869.36	8,707.84	19,577.20	
DTE ENERGY TRADING, INC.	Economy	17,000		606.68	503.89	1,110.57	
DUKE ENERGY CAROLINAS, LLC	Economy	35,000		686.68	570.35	1,257.03	
EAST KENTUCKY POWER COOPERATIVE	Economy	115,000		4,598.73	3,684.20	8,282.93	
FORTIS ENERGY MARKETING & TRADING GP	Economy	398,000		10,965.90	8,785.20	19,751.10	
ILLINOIS MUNICIPAL ELECTRIC AGENCY	Economy	67,000		2,011.29	1,670.54	3,681.83	
INDIANA MUNICIPAL POWER AGENCY	Economy	71,000		2,133.49	1,772.05	3,905.54	
KANSAS CITY POWER & LIGHT	Economy	19,000		752.32	624.87	1,377.19	
MERRILL LYNCH COMMODITIES INC.	Economy	97,000		3,017.10	2,505.95	5,523.05	
PROGRESS ENERGY VENTURES INC.	Economy	23,000		712.26	591.60	1,303.86	
SEMPRA ENERGY TRADING CORP.	Economy	150,000		4,360.41	3,493.30	7,853.71	
THE ENERGY AUTHORITY	Economy	78,000		2,382.68	1,979.01	4,361.69	
TENNESSEE VALLEY AUTHORITY	Economy	309,000		8,150.15	6,529.37	14,679.52	
WILLIAMS ENERGY MARKETING & TRADING CO	Economy	6,000		177.95	147.80	325.75	
WESTAR ENERGY, INC.	Economy	5,000		116.75	96.95	213.70	
MISCELLANEOUS				630.03	(630.03)	-	
OWENSBORO MUNICIPAL UTILITIES	Economy	642,000		34,068.22	2,996.46	37,064.68	
OWENSBORO MUNICIPAL UTILITIES	Allowances	-		-	1,233.00	1,233.00	
LOUISVILLE GAS & ELECTRIC	Economy	112,352,000		2,857,012.71	71,672.10	3,573,738.81	
TOTAL		115,917,000	0.00	\$ 2,974,958.44	\$ 787,469.32	\$ 3,762,427.76	

Kentucky Utilities Company

POWER TRANSACTION SCHEDULE

Company	Type of Transaction	KWH	Demand(\$)	Billing Components			Total Charges(\$)
				Fuel Charges(\$)	Other Charges(\$)		
Sales			\$	\$	\$	\$	\$
MIDWEST INDEPENDENT TRANSMISSION SYSTEM OPERATOR, INC.	MISO	131,000		5,144.77	3,003.56		8,148.33
MIDWEST CONTINGENCY RESERVE SHARING GROUP	MCRS	6,000		329.24	280.93		610.17
AMERICAN ELECTRIC POWER SERVICE CORP.	AEP	355,000		11,731.48	6,848.95		18,580.43
CARGILL- ALLIANT, LLC	CARG	157,000		4,341.68	2,534.71		6,876.39
CITIGROUP ENERGY, INC.	CITI	4,000		76.47	66.95		143.42
COBB ELECTRIC MEMBERSHIP CORPORATION	COBB	60,000		1,611.43	940.77		2,552.20
CONSTELLATION ENERGY COMDS. GRP. INC.	CONS	237,000		5,810.96	3,392.49		9,203.45
DTE ENERGY TRADING, INC.	DTE	5,000		209.20	183.16		392.36
DUKE ENERGY CAROLINAS, LLC	DECA	221,000		4,900.95	2,861.21		7,762.16
EAST KENTUCKY POWER COOPERATIVE	EKPC	5,000		185.82	162.69		348.51
FORTIS ENERGY MARKETING & TRADING GP	FORT	81,000		2,493.49	1,455.73		3,949.22
ILLINOIS MUNICIPAL ELECTRIC AGENCY	IMEA	140,000		5,388.14	3,145.64		8,533.78
INDIANA MUNICIPAL POWER AGENCY	IMPA	177,000		6,923.95	4,042.26		10,966.21
ENERGY IMBALANCE	IMBL	12,000		724.23	422.82		1,147.05
MERRILL LYNCH COMMODITIES INC.	MLCM	53,000		1,927.05	1,125.03		3,052.08
PROGRESS ENERGY VENTURES INC.	PROG	53,000		2,384.67	1,392.19		3,776.86
SEMPRA ENERGY TRADING CORP.	SEMP	112,000		3,924.36	2,291.08		6,215.44
THE ENERGY AUTHORITY	TEA	37,000		1,180.78	689.34		1,870.12
TENNESSEE VALLEY AUTHORITY	TVA	502,000		12,138.12	7,086.35		19,224.47
WILLIAMS ENERGY MARKETING & TRADING CO	WESC	13,000		624.52	364.62		989.14
MISCELLANEOUS		45,848,000		718.44	(718.44)		-
LOUISVILLE GAS & ELECTRIC	LGE	48,209,000	0.00	1,432,292.19	285,380.53		1,717,672.72
TOTAL				\$ 1,505,061.94	\$ 326,952.57		\$ 1,832,014.51

Month Ended: August 31, 2007

Kentucky Utilities Company

POWER TRANSACTION SCHEDULE

Company	Type of Transaction	KWH	Billing Components				Total Charges(\$)
			Demand(\$)	Fuel Charges(\$)	Other Charges(\$)		
Month Ended: September 30, 2007							
<u>Sales</u>			\$	\$	\$	\$	
MIDWEST INDEPENDENT TRANSMISSION SYSTEM OPERATOR, INC.	Economy	448,000		13,513.34	7,094.30	20,607.64	
MIDWEST CONTINGENCY RESERVE SHARING GROUP	Economy	21,000		1,501.96	788.50	2,290.46	
ASSOCIATED ELECT COOPERATIVE	Economy	153,000		4,285.63	2,249.89	6,535.52	
AMERICAN ELECTRIC POWER SERVICE CORP	Economy	1,273,000		41,615.59	21,847.58	63,463.17	
CARGILL- ALLIANT, LLC	Economy	508,000		16,987.51	8,918.19	25,905.70	
CITIGROUP ENERGY, INC.	Economy	120,000		3,548.81	1,863.07	5,411.88	
COBB ELECTRIC MEMBERSHIP CORPORATION	Economy	257,000		8,363.63	4,390.78	12,754.41	
CONSTELLATION ENERGY COMDS. GRP. INC.	Economy	876,000		28,417.22	14,918.63	43,335.85	
DTE ENERGY TRADING, INC.	Economy	9,000		334.94	175.84	510.78	
DUKE ENERGY CAROLINAS, LLC	Economy	213,000		5,793.84	3,041.68	8,835.52	
EAST KENTUCKY POWER COOPERATIVE	Economy	79,000		2,558.27	1,343.05	3,901.32	
FORTIS ENERGY MARKETING & TRADING GP	Economy	1,226,000		36,694.70	19,264.17	55,958.87	
ILLINOIS MUNICIPAL ELECTRIC AGENCY	Economy	1,477,000		60,539.81	31,782.50	92,322.31	
INDIANA MUNICIPAL POWER AGENCY	Economy	1,572,000		64,417.16	33,818.06	98,235.22	
MERRILL LYNCH COMMODITIES INC.	Economy	176,000		7,876.11	4,134.84	12,010.95	
PROGRESS ENERGY VENTURES INC.	Economy	119,000		4,095.97	2,150.32	6,246.29	
SEMPRA ENERGY TRADING CORP	Economy	419,000		15,218.94	7,944.23	23,163.17	
THE ENERGY AUTHORITY	Economy	177,000		5,524.40	2,900.22	8,424.62	
TENASKA POWER SERVICES CO.	Economy	9,000		240.43	126.23	366.66	
TRANSALTA ENERGY MARKETING (U.S.) INC.	Economy	77,000		3,999.16	2,099.52	6,098.68	
TENNESSEE VALLEY AUTHORITY	Economy	3,267,000		99,456.54	52,213.26	151,669.80	
MISCELLANEOUS				4,981.97	(4,981.97)	-	
OWENSBORO MUNICIPAL UTILITIES	Economy	5,585,000		254,921.14	26,135.63	281,056.77	
OWENSBORO MUNICIPAL UTILITIES	Allowances	-		-	12,627.00	12,627.00	
LOUISVILLE GAS & ELECTRIC	Economy	61,148,000		1,639,273.56	326,147.86	1,965,421.42	
TOTAL		79,209,000	0.00	\$ 2,324,160.63	\$ 582,993.38	\$ 2,907,154.01	

Kentucky Utilities Company

POWER TRANSACTION SCHEDULE

Company	Type of Transaction	KWH	Demand(\$)	Billing Components			Total Charges(\$)
				Fuel Charges(\$)	Other Charges(\$)		
Month Ended: October 31, 2007							
Sales			\$	\$	\$	\$	\$
MIDWEST INDEPENDENT TRANSMISSION SYSTEM OPERATOR, INC.	MISO	1,721,000		42,612.74	40,440.71	83,053.45	
MIDWEST CONTINGENCY RESERVE SHARING GROUP	MCRS	52,000		2,826.00	2,706.64	5,532.64	
PJM INTERCONNECTION ASSOCIATION	PJM	3,216,000		88,035.01	83,676.49	171,711.50	
ASSOCIATED ELECT COOPERATIVE	AECI	431,000		9,871.12	9,382.41	19,253.53	
AMERICAN ELECTRIC POWER SERVICE CORP.	AEP	750,000		18,564.45	17,645.35	36,209.80	
CARGILL- ALLIANT, LLC	CARG	976,000		23,571.62	22,404.62	45,976.24	
CITIGROUP ENERGY, INC.	CITI	174,000		4,481.98	4,288.15	8,770.13	
COBB ELECTRIC MEMBERSHIP CORPORATION	COBB	66,000		1,607.37	1,609.75	3,217.12	
CONSTELLATION ENERGY COMDS. GRP. INC.	CONS	529,000		11,967.44	11,374.95	23,342.39	
DTE ENERGY TRADING, INC.	DTE	158,000		4,481.30	4,259.43	8,740.73	
EAST KENTUCKY POWER COOPERATIVE	EKPC	31,000		1,171.21	1,172.94	2,344.15	
FORTIS ENERGY MARKETING & TRADING GP	FORT	288,000		7,771.34	7,386.58	15,157.92	
ILLINOIS MUNICIPAL ELECTRIC AGENCY	IMEA	185,000		7,168.13	6,813.25	13,981.38	
INDIANA MUNICIPAL POWER AGENCY	IMPA	197,000		7,627.65	7,250.01	14,877.66	
MERRILL LYNCH COMMODITIES INC.	MLCM	207,000		6,296.75	5,985.00	12,281.75	
NO. INDIANA PUBLIC SERVICE CO.	NIPS	4,000		125.39	125.58	250.97	
SEMPRA ENERGY TRADING CORP.	SEMP	173,000		4,217.55	4,008.75	8,226.30	
THE ENERGY AUTHORITY	TEA	56,000		1,387.19	1,389.24	2,776.43	
TRANSALTA ENERGY MARKETING (U.S.) INC.	TVA	1,980,000		46,178.86	43,892.60	90,071.46	
WESTAR ENERGY, INC.	WSTR	6,000		155.45	155.70	311.15	
MISCELLANEOUS				17.75	(17.75)	-	
OWENSBORO MUNICIPAL UTILITIES	OMU	4,670,000		217,030.44	21,161.50	238,191.94	
OWENSBORO MUNICIPAL UTILITIES	OMU	-		-	14,742.00	14,742.00	
LOUISVILLE GAS & ELECTRIC	LGE	140,533,000		3,632,483.48	799,057.37	4,431,540.85	
TOTAL		156,403,000	0.00	4,139,650.22	1,110,911.27	5,250,561.49	

KENTUCKY UTILITIES COMPANY

**Response to Information Requested in Appendix A of
Commission's Order Dated January 23, 2008**

Case No. 2007-00524

Question No. 5

Witness: J. Scott Cooke

Q-5. List KU's scheduled, actual, and forced outages between May 1, 2007 through October 31, 2007.

A-5. Please see attached sheets.

Schedule vs Actual

Kentucky Utilities Company
 E. W. Brown Unit 1 - Coal - 101 MW
 May 2007 through October 2007

MONTH	MAINTENANCE				HOURS OF DURATION		REASON FOR DEVIATION FROM SCHEDULED MAINTENANCE OR REASON FOR FORCED OUTAGE AS APPROPRIATE
	Scheduled FROM	TO	Actual FROM	TO	Scheduled	Actual	
May	F		5/25/2007 22:11	5/27/2007 8:42		34:31	Economizer boiler tube failure
Jun		No Outages > or = 6 Hours					
Jul		No Outages > or = 6 Hours					
Aug		No Outages > or = 6 Hours					
Sep	S	9/15/2007 0:00	→	9/14/2007 20:58	→	384:00	387:02 Planned major turbine overhaul
Oct	S	→	→	→	→	744:00	744:00 " " " " " "

Schedule vs Actual

Kentucky Utilities Company
 E. W. Brown Unit 2 - Coal - 167 MW
 May 2007 through October 2007

MONTH	MAINTENANCE				HOURS OF DURATION		REASON FOR DEVIATION FROM SCHEDULED MAINTENANCE OR REASON FOR FORCED OUTAGE AS APPROPRIATE
	Scheduled FROM	Scheduled TO	Actual FROM	Actual TO	Scheduled	Actual	
May	No Outages > or = 6 Hours						
Jun	F		6/9/2007 21:04	6/10/2007 22:28	25:24		Emergency generator trip devices
Jul	No Outages > or = 6 Hours						
Aug	No Outages > or = 6 Hours						
Sep	No Outages > or = 6 Hours						
Oct	S	10/26/2007 22:45	10/28/2007 3:50	10/26/2007 22:45	29:05	29:05	High pressure heater tube leaks

Schedule vs Actual

Kentucky Utilities Company
 E. W. Brown Unit 3 - Coal - 429 MW
 May 2007 through October 2007

MONTH	MAINTENANCE				HOURS OF DURATION		REASON FOR DEVIATION FROM SCHEDULED MAINTENANCE OR REASON FOR FORCED OUTAGE AS APPROPRIATE
	Scheduled FROM	Scheduled TO	Actual FROM	Actual TO	Scheduled	Actual	
May	S				5/3/2007 19:50	67:50	Annual boiler inspection
Jun		No Outages > or = 6 Hours					
Jul		No Outages > or = 6 Hours					
Aug	F		8/16/2007 16:52	8/17/2007 22:39	29:47		Transmission system problems
Sep	S	9/1/2007 23:32	9/3/2007 10:38	9/3/2007 10:38	35:06	35:06	Condenser tube leaks
Oct	F		10/24/2007 22:53	10/25/2007 7:39	8:46		Generator main leads

Kentucky Utilities Company
 E. W. Brown 5 - Gas CT - 117 MW
 May 2007 through October 2007

Schedule vs Actual

MONTH	MAINTENANCE				HOURS OF DURATION		REASON FOR DEVIATION FROM SCHEDULED MAINTENANCE OR REASON FOR FORCED OUTAGE AS APPROPRIATE
	Scheduled FROM	Scheduled TO	Actual FROM	Actual TO	Scheduled	Actual	
May	No Outages > or = 6 Hours						
Jun	No Outages > or = 6 Hours						
Jul	F		7/17/2007 10:08	7/26/2007 15:30	22:12		Gas fuel system - flame controls issues
Aug	No Outages > or = 6 Hours						
Sep	No Outages > or = 6 Hours						
Oct	No Outages > or = 6 Hours						

Kentucky Utilities Company
 E. W. Brown 6 - Gas CT - 154 MW
 May 2007 through October 2007

Schedule vs Actual

MONTH	MAINTENANCE				HOURS OF DURATION		REASON FOR DEVIATION FROM SCHEDULED MAINTENANCE OR REASON FOR FORCED OUTAGE AS APPROPRIATE	
	Scheduled FROM	Scheduled TO	Actual FROM	Actual TO	Scheduled	Actual		
May	S	5/27/2007 5:30	5/27/2007 12:20	5/27/2007 5:30	5/27/2007 12:20	6:50	6:50	Low pressure blades/buckets
Jun		No Outages > or = 6 Hours						
Jul	S	7/21/2007 7:30	7/22/2007 10:00	7/21/2007 7:30	7/22/2007 10:00	26:30	26:30	Cooling and seal air system
Aug		No Outages > or = 6 Hours						
Sep		No Outages > or = 6 Hours						
Oct	S	10/13/2007 0:00		10/1/2007 5:30		456:00	738:30	Major gas turbine overhaul

Schedule vs Actual

Kentucky Utilities Company
 E. W. Brown 7 - Gas CT - 154 MW
 May 2007 through October 2007

MONTH	MAINTENANCE		Actual		HOURS OF DURATION		REASON FOR DEVIATION FROM SCHEDULED MAINTENANCE OR REASON FOR FORCED OUTAGE AS APPROPRIATE
	Scheduled FROM	Scheduled TO	FROM	TO	Scheduled	Actual	
May	S	5/27/2007 5:30	5/27/2007 11:40	5/27/2007 11:40	6:10	6:10	Low pressure blades/buckets
Jun	F		6/15/2007 19:15	6/17/2007 14:00	42:45		Turning gear and motor
Jul		No Outages > or = 6 Hours					
Aug	F		8/7/2007 14:20	8/13/2007 8:00	137:40		Generator rotor collector rings
	F		8/30/2007 18:30	8/31/2007 15:25	20:55		Turning gear and motor
	F		9/6/2007 15:12	9/14/2007 11:59	188:47		Gas turbine combustor issues - uneven temperature distribution
	F		9/14/2007 13:29	9/25/2007 15:42	266:13		Gas turbine combustor issues - uneven temperature distribution
			9/25/2007 16:13	9/26/2007 12:11	19:58		Gas turbine combustor issues - uneven temperature distribution
			9/26/2007 16:38	9/27/2007 14:27	21:49		Gas turbine combustor issues - uneven temperature distribution
			9/27/2007 18:52	9/28/2007 13:45	18:53		Gas turbine combustor issues - uneven temperature distribution

Oct No Outages > or = 6 Hours

Schedule vs Actual

Kentucky Utilities Company
 E. W. Brown 8 - Gas CT - 106 MW
 May 2007 through October 2007

MONTH	MAINTENANCE				HOURS OF DURATION		REASON FOR DEVIATION FROM SCHEDULED MAINTENANCE OR REASON FOR FORCED OUTAGE AS APPROPRIATE
	Scheduled FROM	TO	Actual FROM	TO	Scheduled	Actual	
May	No Outages > or = 6 Hours						
Jun	No Outages > or = 6 Hours						
Jul	No Outages > or = 6 Hours						
Aug	No Outages > or = 6 Hours						
Sep	No Outages > or = 6 Hours						
Oct	No Outages > or = 6 Hours						

Schedule vs Actual

Kentucky Utilities Company
 E. W. Brown 9 - Gas CT - 106 MW
 May 2007 through October 2007

MONTH	SCHEDULED		ACTUAL		REASON FOR DEVIATION FROM SCHEDULED MAINTENANCE OR REASON FOR FORCED OUTAGE AS APPROPRIATE	
	FROM	TO	FROM	TO	Scheduled	Actual
May	No Outages > or = 6 Hours					
Jun	No Outages > or = 6 Hours					
Jul	No Outages > or = 6 Hours					
Aug	No Outages > or = 6 Hours					
Sep	No Outages > or = 6 Hours					
Oct	No Outages > or = 6 Hours					

Schedule vs Actual

Kentucky Utilities Company
 E. W. Brown 10 - Gas CT - 106 MW
 May 2007 through October 2007

MONTH	SCHEDULED		ACTUAL		REASON FOR DEVIATION FROM SCHEDULED MAINTENANCE OR REASON FOR FORCED OUTAGE AS APPROPRIATE	
	FROM	TO	FROM	TO	Scheduled	Actual
May	No Outages > or = 6 Hours					
Jun	No Outages > or = 6 Hours					
Jul	No Outages > or = 6 Hours					
Aug	No Outages > or = 6 Hours					
Sep	No Outages > or = 6 Hours					
Oct	No Outages > or = 6 Hours					

Schedule vs Actual

Kentucky Utilities Company
 E. W. Brown 11 - Gas CT - 106 MW
 May 2007 through October 2007

MONTH	MAINTENANCE				HOURS OF DURATION		REASON FOR DEVIATION FROM SCHEDULED MAINTENANCE OR REASON FOR FORCED OUTAGE AS APPROPRIATE
	Scheduled FROM	Scheduled TO	Actual FROM	Actual TO	Scheduled	Actual	
May	S	5/3/2007 18:30	5/9/2007 8:30	5/3/2007 18:30	5/9/2007 8:30	134:00	134:00 Generator metering devices
Jun		No Outages > or = 6 Hours					
Jul		No Outages > or = 6 Hours					
Aug		No Outages > or = 6 Hours					
Sep		No Outages > or = 6 Hours					
Oct		No Outages > or = 6 Hours					

Schedule vs Actual

Kentucky Utilities Company
 Ghent Unit 1 - Coal - 475 MW
 May 2007 through October 2007

MONTH	MAINTENANCE				HOURS OF DURATION		REASON FOR DEVIATION FROM SCHEDULED MAINTENANCE OR REASON FOR FORCED OUTAGE AS APPROPRIATE
	Scheduled FROM	Scheduled TO	Actual FROM	Actual TO	Scheduled	Actual	
May	No Outages > or = 6 Hours						
Jun	F	6/14/2007 17:02	6/14/2007 6:37	6/14/2007 17:02	10:25	10:25	Switchyard system protection devices
	S	6/17/2007 18:35	6/15/2007 23:46	6/17/2007 18:35	42:49	42:49	Induced draft fan - vibration
Jul	F	7/29/2007 13:45	7/25/2007 13:46	7/29/2007 13:45	95:59	95:59	Slag and ash removal on boiler lower slope
Aug	No Outages > or = 6 Hours						
Sep	S	9/29/2007 0:00	9/28/2007 22:50	→	48:00	49:10	Planned major turbine overhaul
Oct	S	→	→	→	744:00	744:00	" " " " " "

Kentucky Utilities Company
 Ghent Unit 2 - Coal - 484 MW
 May 2007 through October 2007

Schedule vs Actual

MONTH	SCHEDULED		ACTUAL		MAINTENANCE		HOURS OF DURATION		REASON FOR DEVIATION FROM SCHEDULED MAINTENANCE OR REASON FOR FORCED OUTAGE AS APPROPRIATE
	FROM	TO	FROM	TO	TO	TO	Scheduled	Actual	
May	S	5/5/2007 0:00	5/20/2007 15:00	5/19/2007 14:01	5/4/2007 19:41	5/19/2007 14:01	375:00	354:20	Planned spring outage
Jun	F		6/15/2007 23:39	6/16/2007 7:19	6/15/2007 23:39	6/16/2007 7:19	7:40	7:40	Switchyard system protection devices
Jul	S	7/20/2007 21:57	7/23/2007 2:32	7/20/2007 21:57	7/20/2007 21:57	7/23/2007 2:32	52:35	52:35	High opacity emissions
Aug	F	No Outages > or = 6 Hours	8/24/2007 22:28	8/26/2007 21:14	8/24/2007 22:28	8/26/2007 21:14	46:46	46:46	Precipitator fouling
Sep									
Oct	S	10/26/2007 21:23	10/29/2007 19:00	10/28/2007 19:00	10/26/2007 21:23	10/28/2007 19:00	45:37	45:37	High opacity emissions
	F		10/28/2007 19:00	10/30/2007 8:18	10/28/2007 19:00	10/30/2007 8:18	37:18	37:18	Service water piping

Kentucky Utilities Company
 Ghent Unit 3 - Coal - 493 MW
 May 2007 through October 2007

Schedule vs Actual

MONTH	MAINTENANCE		Actual		HOURS OF DURATION		REASON FOR DEVIATION FROM SCHEDULED MAINTENANCE OR REASON FOR FORCED OUTAGE AS APPROPRIATE
	Scheduled FROM	Scheduled TO	Actual FROM	Actual TO	Scheduled	Actual	
May	S		5/26/2007 14:20		6:14:20		Annual inspection and addition of flue gas desulfurization (FGD)
	F		5/27/2007 12:40	5/31/2007 5:04	88:24		Induced draft fan bearing
Jun	F		6/4/2007 18:07	6/9/2007 5:28	107:21		Flue gas desulfurization slurry in ID fan discharge ducts
	F		6/12/2007 23:21	6/15/2007 20:06	68:45		Primary superheater boiler tube failures
	F		6/16/2007 10:50	6/18/2007 0:27	37:37		Primary superheater boiler tube failures
Jul	No Outages > or = 6 Hours						
Aug	F		8/3/2007 6:19	8/7/2007 18:56	108:37		Boiler slag and ash removal
	F		8/11/2007 0:13	8/13/2007 15:08	62:55		Primary superheater boiler tube failures
	S		8/25/2007 22:36	8/26/2007 16:00	17:24	17:24	Boiler feed pump suction strainer
	F		8/26/2007 16:00	8/26/2007 23:49	7:49		Induced draft fan motor
Sep	S		9/7/2007 22:58	9/9/2007 23:31	48:33	48:33	Induced draft fan bearing
Oct	F		10/5/2007 9:56	10/7/2007 16:25	54:29		Primary superheater boiler tube failures
	F		10/7/2007 16:25	10/6/2007 21:54	29:29		Induced draft fan blade controls

Kentucky Utilities Company
 Ghent Unit 4 - Coal - 493 MW
 May 2007 through October 2007

Schedule vs Actual

MONTH	MAINTENANCE				HOURS OF DURATION		REASON FOR DEVIATION FROM SCHEDULED MAINTENANCE OR REASON FOR FORCED OUTAGE AS APPROPRIATE
	Scheduled FROM	Scheduled TO	Actual FROM	Actual TO	Scheduled	Actual	
May	No Outages > or = 6 Hours						
Jun	F		6/18/2007 9:24	6/19/2007 23:31	38:07		Economizer boiler tube failure
Jul	S	7/13/2007 22:00	7/14/2007 16:58	7/13/2007 22:00	18:58	18:58	Furnace waterwall boiler tube failure
Aug	No Outages > or = 6 Hours						
Sep	S	9/14/2007 23:07	9/16/2007 0:01	9/14/2007 23:07	24:54	24:54	Furnace waterwall boiler tube failure
Oct	No Outages > or = 6 Hours						

Schedule vs Actual

Kentucky Utilities Company
 Green River Unit 3 - Coal - 68 MW
 May 2007 through October 2007

MONTH	MAINTENANCE				HOURS OF DURATION		REASON FOR DEVIATION FROM SCHEDULED MAINTENANCE OR REASON FOR FORCED OUTAGE AS APPROPRIATE
	Scheduled	Actual	FROM	TO	Scheduled	Actual	
	FROM	FROM	TO	TO	Forced	Actual	
May	No Outages > or = 6 Hours						
Jun	F	6/18/2007 11:18	6/19/2007 18:30		31:12		Primary superheater boiler tube failure
	F	6/21/2007 17:33	6/22/2007 19:55		26:22		Environmental permits - extremely low river levels
Jul	S	7/7/2007 2:34	7/7/2007 17:00	7/7/2007 17:00	14:26	14:26	Main transformer - high temps
Aug	No Outages > or = 6 Hours						
Sep	S	9/15/2007 11:30	9/15/2007 20:33	9/15/2007 20:33	9:03	9:03	Boiler drains - plugged valves
	S	9/16/2007 7:00	9/17/2007 19:30	9/17/2007 19:30	36:30	36:30	Furnace waterwall boiler tube failure
Oct	No Outages > or = 6 Hours						

Schedule vs Actual

Kentucky Utilities Company
 Green River Unit 4 - Coal - 95 MW
 May 2007 through October 2007

MONTH	MAINTENANCE		Actual		HOURS OF DURATION		REASON FOR DEVIATION FROM SCHEDULED MAINTENANCE OR REASON FOR FORCED OUTAGE AS APPROPRIATE	
	FROM	TO	FROM	TO	Scheduled	Actual		
May	S	4/28/2007 0:00	5/6/2007 15:00	5/2/2007 23:52	5/6/2007 8:40	207:00	80:48	Planned boiler overhaul
Jun	F			6/2/2007 5:02	6/2/2007 11:40		6:38	Turbine main stop valve testing
Jul		No Outages > or = 6 Hours						
Aug	S	8/25/2007 22:57	8/26/2007 23:12	8/25/2007 22:57	8/26/2007 23:12	24:15	24:15	Furnace waterwall boiler tube failure
Sep		No Outages > or = 6 Hours						
Oct	F			10/14/2007 1:23	10/15/2007 3:05		25:42	Furnace waterwall boiler tube failure

Report dates of forced outage in columns headed Actual

Schedule vs Actual

Kentucky Utilities Company
 Haefling 1 - Gas CT - 12 MW
 May 2007 through October 2007

MONTH	MAINTENANCE				HOURS OF DURATION			REASON FOR DEVIATION FROM SCHEDULED MAINTENANCE OR REASON FOR FORCED OUTAGE AS APPROPRIATE
	Scheduled FROM	Scheduled TO	Actual FROM	Actual TO	Scheduled	Forced	Actual	
May	No Outages > or = 6 Hours							
Jun	No Outages > or = 6 Hours							
Jul	F		7/27/2007 11:51	7/31/2007 9:21		93:30		Gas turbine control system logic
Aug	F		8/8/2007 13:48	8/9/2007 15:33		25:45		Engine exhaust temperature high
	F		8/9/2007 15:36	8/15/2007 14:02		142:26		Gas turbine controls - ground
	F		8/15/2007 14:15	8/16/2007 18:18		28:03		Engine exhaust temperature high
Sep	S	9/6/2007 7:20	9/7/2007 10:37	9/7/2007 10:37	27:17		27:17	Gas turbine controls - Wiring
Oct	F		10/8/2007 12:18	—————>		563:42		Gas turbine control system logic

Schedule vs Actual

Kentucky Utilities Company
 Haefling 2 - Gas CT - 12 MW
 May 2007 through October 2007

MONTH	SCHEDULED		ACTUAL		REASON FOR DEVIATION FROM SCHEDULED MAINTENANCE OR REASON FOR FORCED OUTAGE AS APPROPRIATE	
	FROM	TO	FROM	TO	Scheduled	Actual
May	No Outages > or = 6 Hours					
Jun	No Outages > or = 6 Hours					
Jul	No Outages > or = 6 Hours					
Aug	No Outages > or = 6 Hours					
Sep	No Outages > or = 6 Hours					
Oct	No Outages > or = 6 Hours					

Report dates of forced outage in columns headed Actual

Kentucky Utilities Company
 Haefling 3 - Gas CT - 12 MW
 May 2007 through October 2007

Schedule vs Actual

MONTH	MAINTENANCE				HOURS OF DURATION		REASON FOR DEVIATION FROM SCHEDULED MAINTENANCE OR REASON FOR FORCED OUTAGE AS APPROPRIATE
	Scheduled FROM	Scheduled TO	Actual FROM	Actual TO	Scheduled	Actual	
May	No Outages > or = 6 Hours						
Jun	No Outages > or = 6 Hours						
Jul	F		7/27/2007 11:51	7/31/2007 9:39	93:48		Gas turbine control system logic
Aug	F		8/6/2007 13:03	8/7/2007 6:10	17:07		Lube oil system
	F		8/8/2007 13:45	8/9/2007 15:45	26:00		High engine exhaust temperatures
	F		8/15/2007 13:10	8/16/2007 12:00	22:50		Lube oil coolers
	F		8/16/2007 19:09	8/17/2007 7:00	11:51		High engine exhaust temperatures
	S	8/17/2007 7:00	→	→	353:00	353:00	Cooling water system
Sep	S	→	9/5/2007 7:08	9/5/2007 7:08	103:08	103:08	" " "
Oct	F		10/8/2007 13:16	10/9/2007 7:09	17:53		Lube oil coolers

Report dates of forced outage in columns headed Actual

Schedule vs Actual

Kentucky Utilities Company
 Tyrone Unit 3 - Coal - 71 MW
 May 2007 through October 2007

MONTH	MAINTENANCE		Actual		HOURS OF DURATION		REASON FOR DEVIATION FROM SCHEDULED MAINTENANCE OR REASON FOR FORCED OUTAGE AS APPROPRIATE
	Scheduled FROM	TO	FROM	TO	Scheduled	Actual	
May	F		5/1/2007 8:05	5/2/2007 21:57	37:52		Primary superheater boiler tube failure
Jun	S	6/29/2007 21:02	→	→	26:58	26:58	Precipitator field out
Jul	S	→	7/1/2007 20:52	→	20:52	20:52	" " " "
Aug							
Sep							
Oct							

No Outages > or = 6 Hours
 No Outages > or = 6 Hours
 No Outages > or = 6 Hours

KENTUCKY UTILITIES COMPANY

**Response to Information Requested in Appendix A of
Commission's Order Dated January 23, 2008**

Case No. 2007-00524

Question No. 6

Witness: Mike Dotson

- Q-6. List all existing fuel contracts categorized as long-term (i.e., more than 1 year in length). Provide the following information for each contract:
- a. Supplier's name and address.
 - b. Name and location of production facility.
 - c. Date when contract was executed.
 - d. Duration of contract.
 - e. Date(s) of each contract revision, modification or amendment.
 - f. Annual tonnage requirements.
 - g. Actual annual tonnage received since the contract's inception.
 - h. Percent of annual requirements received during the contract's term.
 - i. Base price.
 - j. Total amount of price escalations to date.
 - k. Current price paid for coal under the contract (i + j).
- A-6. Please see the attached sheets.

- A. NAME/ADDRESS: Smoky Mountain Coal Corp. / KUF02860
9725 Cogdill Road, Suite 203
Knoxville, Tennessee 42413
- B. PRODUCTION FACILITY:
- OPERATOR: KMMC Mining
MINES: Vision #9
LOCATION: Webster County, KY
- OPERATOR: Allied Resources, Inc.
MINES: Onton Resources' Mines
LOCATION: Webster County, KY
- C. CONTRACT EXECUTED DATE: February 27, 2002
- D. CONTRACT DURATION: January 1, 2002 – December 31, 2008
- E. CONTRACT AMENDMENTS: Amendment No. 1 effective January 1, 2004. Amending term, quantity, quality and price.
Amendment No. 2 effective January 1, 2006. Amending term, quantity, quality and price.
Amendment No. 3 effective September 1, 2006. Amending payment procedures.
Amendment No. 4 effective January 1, 2007. Amending term, quantity and price.
Amendment No. 5 effective March 1, 2007. Amending payment calculation.
- F. ANNUAL TONNAGE REQUIREMENTS:
- | | |
|------|--------------|
| 2002 | 200,000 tons |
| 2003 | 200,000 tons |
| 2004 | 400,000 tons |
| 2005 | 400,000 tons |
| 2006 | 600,000 tons |
| 2007 | 425,000 tons |
| 2008 | 475,000 tons |
| 2009 | 200,000 tons |

G. ACTUAL TONNAGE: RECEIVED:	2002	52,826 tons
	2003	203,370 tons
	2004	279,667 tons
	2005	339,349 tons
	2006	552,154 tons
	2007	330,202 tons (through 10/31/07)
H. PERCENT OF ANNUAL REQUIREMENTS:	2002	26%
	2003	102%
	2004	70%
	2005	85%
	2006	92%
	2007	93% (through 10/31/07)
I. BASE PRICE: (FOB Barge/ Sebree Dock)	2002	\$1.1540 per MMBtu– Quality A
	2003	\$1.1540 per MMBtu– Quality A
	2004	\$1.1940 per MMBtu– Quality A
	2004	\$1.0200 per MMBtu– Quality C
	2005	\$1.0600 per MMBtu– Quality C
	2006	\$1.2610 per MMBtu– Quality C
	2007	\$30.22 per ton – Quality C
	2008	\$31.00 per ton – Quality C
	2009	\$35.95 per ton – Quality C
J. ESCALATIONS TO DATE:		None
K. CURRENT CONTRACT PRICE:		\$30.22 per ton – Quality C

A. NAME/ADDRESS: Perry County Coal Corporation and Pike
Letcher Synfuel, LLC / KUF06125
200 Allison Blvd.
Corbin, Kentucky 40701

B. PRODUCTION FACILITY:
OPERATOR: Perry County Coal Corp.
MINES: E4-1, E3-1
PLANT: BG#4 Synthetic fuel facility
LOCATION: Perry County, KY

C. CONTRACT EXECUTED DATE: December 12, 2005

D. CONTRACT DURATION: January 1, 2006 – December 31, 2008

E. CONTRACT AMENDMENTS: Amendment No. 1 effective September 1,
2006. Amending payment procedures.
Amendment No. 2 effective March 1, 2007.
Amending payment calculation.

F. ANNUAL TONNAGE REQUIREMENTS:

2006	120,000 tons
2007	360,000 ons
2008	360,000 tons

G. ACTUAL TONNAGE RECEIVED:

2006	109,140 tons
2007	270,925 tons (through 10/31/07)

H. PERCENT OF ANNUAL REQUIREMENTS:

2006	91%
2007	90% (through 10/31/07)

I. BASE PRICE: (FOB Railcar/Coal)

2006	\$2.52 per MMBtu
2007/2008	\$63.00 per ton

I. BASE PRICE: (FOB Railcar/Synfuel)

2006	2.4800 per MMBtu
2007/2008	\$62.00 per ton

J. ESCALATIONS TO DATE: None

K. CURRENT CONTRACT PRICE: \$63.00 per ton

- A. NAME/ADDRESS: American Mining & Manufacturing, LLC /
K06002
P.O. Box 244
Buckner, Kentucky 40010
- B. PRODUCTION FACILITY:
OPERATOR: American Mining & Manufacturing, LLC
MINES: Stone Chapel
LOCATION: Hopkins County, KY
- C. CONTRACT EXECUTED DATE: May 30, 2006
- D. CONTRACT DURATION: November 1, 2002 – December 31, 2008
- E. CONTRACT AMENDMENTS: Amendment No.1 effective April 1, 2005.
Amending term, tonnage and price.
Amendment No. 2 effective May 23, 2006.
Contract assigned from American Mining &
Manufacturing Corp.
Amendment No. 3 effective September 1,
2006. Amending payment procedures.
Contract assigned to Charolais Coal Sales,
LLC/Phoenix Coal Corp. effective 8/1/07.
- F. ANNUAL TONNAGE
REQUIREMENTS:
- | | |
|------|--------------|
| 2002 | 0,000 tons |
| 2003 | 234,182 tons |
| 2004 | 184,238 tons |
| 2005 | 209,980 tons |
| 2006 | 300,000 tons |
| 2007 | 300,000 tons |
| 2008 | 300,000 tons |
- G. ACTUAL TONNAGE:
RECEIVED:
- | | |
|------|--------------------------|
| 2002 | 0 tons |
| 2003 | 234,182 tons |
| 2004 | 184,238 tons |
| 2005 | 162,674 tons |
| 2006 | 198,545 tons |
| 2007 | 0 tons (through 7/14/07) |

H. PERCENT OF ANNUAL
REQUIREMENTS:

2002	0%
2003	100%
2004	100%
2005	77%
2006	66%
2007	0% (through 7/14/07)

I. BASE PRICE: (FOB Plant)

2002	\$1.3261 per MMBtu – Quality B
2003	\$1.3261 per MMBtu – Quality B
2004	\$1.3261 per MMBtu – Quality B
2004	\$1.3478 per MMBtu – Quality B (6/3/04)
2005	\$1.3478 per MMBtu – Quality B
2005	\$1.6922 per MMBtu – Quality B (4/1/05)
2006	\$1.7139 per MMBtu – Quality B
2007	\$39.92 per ton – Quality B
2008	\$40.42 per ton – Quality B

J. ESCALATIONS TO DATE: \$0.37 per ton

K. CURRENT CONTRACT PRICE: \$39.79 per ton – Quality B

A. NAME/ADDRESS: Infinity Coal Sales, LLC / KUF04952
3315 Springbank Lane, Suite 106,
Charlotte, North Carolina 28226

B. PRODUCTION FACILITY:
OPERATOR: Panther Coal Company, LLC
MINES: Panther Mine
LOCATION: Kanawha County, WV

C. CONTRACT EXECUTED DATE: August 5, 2003

D. CONTRACT DURATION: January 1, 2004 – October 31, 2007

E. CONTRACT AMENDMENTS: Amendment No. 1 effective September 1,
2006. Amending payment procedures.
Amendment No. 2 effective January 1,
2007. Amending expiration date.
Amendment No. 3 effective March 1, 2007.
Amending payment calculation.

F. ANNUAL TONNAGE
REQUIREMENTS:

2004	500,000 tons
2005	500,000 tons
2006	500,000 tons

G. ACTUAL TONNAGE:
RECEIVED:

2004	434,717 tons
2005	399,469 tons
2006	414,718 tons
2007	237,668 tons (through 10/31/07)

Tonnage shipped under multiple synfuel orders (see page 7 of 34)

H. PERCENT OF ANNUAL
REQUIREMENTS:

2004	87%
2005	80%
2006	83%
2007	Carry-over tonnage

I. BASE PRICE: (FOB Barge/coal)

2004	\$1.3860 per MMBtu
2005	\$1.4120 per MMBtu
2006	\$1.4604 per MMBtu

J. ESCALATIONS TO DATE: None

K. CURRENT CONTRACT PRICE: \$1.4604 per MMBtu

KENTUCKY UTILITIES COMPANY							
Ghent Compliance Units							
Infinity Coal / KUF04952							
Month	Tonnage Commitment	Tons Received	Over (Under)	Infinity F04952	Blk. Hawk F04983	Marmet/Imperial F04005	Marmet/Calla F04006
Jan 2004	41,667	17,253	(24,413)			10,977	6,277
Feb	41,667	50,799	9,133			28,694	22,106
Mar	41,667	47,886	6,220			33,586	14,300
Apr	41,667	23,672	(17,995)			10,997	12,675
May	41,667	59,456	17,789			40,584	18,872
Jun	41,667	34,975	(6,692)			7,862	27,113
Jul	41,667	37,290	(4,376)			27,824	9,466
Aug	41,667	32,613	(9,054)			26,305	6,308
Sep	41,667	26,095	(15,572)			21,399	4,695
Oct	41,667	32,762	(8,905)			27,761	5,001
Nov	41,667	27,733	(13,933)		4,726	19,779	3,229
Dec	41,667	44,183	2,517		17,989	14,674	11,520
Year 2004	500,000	434,717	(65,283)	-	22,715	270,442	141,560
Jan 2005	41,667	39,417	(2,249)		13,247	13,010	13,160
Feb	41,667	40,393	(1,273)	14,667		22,444	3,282
Mar	41,667	29,542	(12,125)	29,542			
Apr	41,667	37,894	(3,773)	37,894			
May	41,667	42,638	971	42,638			
Jun	41,667	21,337	(20,330)	21,337			
Jul	41,667	35,736	(5,931)	35,736			
Aug	41,667	44,550	2,883	44,550			
Sep	41,667	33,340	(8,326)	33,340			
Oct	41,667	27,253	(14,414)	27,253			
Nov	41,667	23,653	(18,014)	23,653			
Dec	41,667	23,717	(17,949)	23,717			
Year 2005	500,000	399,469	(100,531)	334,326	13,247	35,454	16,443
Jan 2006	41,667	25,901	(15,766)	25,901			
Feb	41,667	21,098	(20,569)	21,098			
Mar	41,667	51,242	9,575	51,242			
Apr	41,667	50,631	8,964	50,631			
May	41,667	63,399	21,733	63,399			
Jun	41,667	22,651	(19,016)	22,651			
Jul	41,667	8,056	(33,611)	8,056			
Aug	41,667	33,311	(8,356)	33,311			
Sep	41,667	15,840	(25,827)	15,840			
Oct	41,667	40,420	(1,246)	40,420			
Nov	41,667	59,541	17,874	59,541			
Dec	41,667	22,629	(19,038)	22,629			
Year 2006	500,000	414,718	(85,282)	414,718	-	-	-
Jan 2007		16,214	16,214	16,214			
Feb		16,027	16,027	16,027			
Mar		27,362	27,362	27,362			
Apr		41,061	41,061	41,061			
May		34,899	34,899	34,899			
Jun		31,503	31,503	31,503			
Jul		26,431	26,431	26,431			
Aug		29,615	29,615	29,615			
Sep		14,556	14,556	14,556			
Oct		-	0	-			
Nov		-	0	-			
Dec		-	0	-			
Year 2007	-	237,668	237,668	237,668			
Contract to Date	1,500,000	1,486,574	(13,426)	986,712	35,962	305,897	158,003

BASE PRICE: (FOB Barge/synfuel)	2004	\$1.3060 per MMBtu
	2005	\$1.3320 per MMBtu
	2006	\$1.3804 per MMBtu

A. NAME/ADDRESS: Progress Fuels Corp. / KUF04966
South Wilmington Street
Raleigh, North Carolina 27601

B. PRODUCTION FACILITY:
OPERATOR: Various Companies
MINES: Purchased coal
LOCATION: Kanawha, WV

C. CONTRACT EXECUTED DATE: September 24, 2003

D. CONTRACT DURATION: January 1, 2004 – December 31, 2007

E. CONTRACT AMENDMENTS: Amendment No.1 effective Jan.1, 2006.
Amending term, tonnage, price.
Amendment No. 2 effective September 1,
2006. Amending payment procedures.
Amendment No. 3 effective March 1, 2007.
Amending payment calculation.

F. ANNUAL TONNAGE
REQUIREMENTS:

2004	240,000 tons
2005	240,000 tons
2006	360,000 tons
2007	360,000 tons

G. ACTUAL TONNAGE:
RECEIVED:

2004	211,420 tons
2005	227,207 tons
2006	395,920 tons
2007	316,220 tons (through 10/31/07)

H. PERCENT OF ANNUAL
REQUIREMENTS:

2004	88%
2005	95%
2006	110%
2007	105% (through 10/31/07)

Tonnage shipped under multiple synfuel orders (see page 11 of 34)

I. BASE PRICE: (FOB Barge/coal)

2004	\$1.3958 per MMBtu
2005	\$1.4167 per MMBtu
2006	\$2.5833 per MMBtu
2007	\$62.00 per ton

J. ESCALATIONS TO DATE: None

K. CURRENT CONTRACT PRICE: \$62.00 per ton

KENTUCKY UTILITIES COMPANY

Ghent Compliance Units

Progress Fuels / KUF04966

Month	Tonnage Commitment	Tons Received	Over (Under)	Progress F04966	Blk. Hawk F04958	Marmet/Imperial F04959	Marmet/Calli F04960	Progress/Tyrn F04009	Blk Hawk F05095	Marmet F05098	Marmet F05099
Jan 2004	20,000	7,795	(12,205)		4,717	3,078					
Feb	20,000	27,974	7,974		18,450	7,953	1,570				
Mar	20,000	27,006	7,006	23,974				3,033			
Apr	20,000	12,002	(7,998)	3,233				8,769			
May	20,000	28,255	8,255	7,896	15,598	1,576	1,565	1,621			
Jun	20,000	3,163	(16,837)		1,669	1,494					
Jul	20,000	9,817	(10,183)	4,938		4,879					
Aug	20,000	37,275	17,275	4,868	25,793	4,891	1,724				
Sep	20,000	24,080	4,080	1,656	19,308	3,116					
Oct	20,000	16,129	(3,872)		8,024	4,784	3,320				
Nov	20,000	14,706	(5,294)		9,837	1,642	3,227				
Dec	20,000	3,219	(16,782)		3,219						
Year 2004	240,000	211,420	(28,580)	46,564	106,614	33,413	11,406	13,422			
Jan 2005	20,000	6,662	(13,338)		6,662						
Feb	20,000	19,512	(488)	11,275	8,236						
Mar	20,000	16,898	(3,102)	1,777		3,292			11,830		
Apr	20,000	16,660	(3,340)	6,666					9,994		
May	20,000	26,743	6,743	6,625					20,118		
Jun	20,000	26,385	6,385	9,861					16,524		
Jul	20,000	16,451	(3,549)						8,300	4,896	3,255
Aug	20,000	27,418	7,418	1,632					24,210		1,576
Sep	20,000	30,602	10,602	21,110					7,893		1,600
Oct	20,000	12,676	(7,324)	3,127					7,929		1,620
Nov	20,000	17,529	(2,471)	7,922					6,461	1,599	1,547
Dec	20,000	9,672	(10,328)						9,672		
Year 2005	240,000	227,207	(12,793)	69,994	14,899	3,292			122,929	6,495	9,598
Jan 2006	30,000	19,149	(10,852)						19,149		
Feb	30,000	28,463	(1,538)	15,970					10,928	1,565	
Mar	30,000	45,054	15,054	45,054							
Apr	30,000	44,839	14,839	44,839							
May	30,000	39,672	9,672	39,672							
Jun	30,000	43,487	13,487	43,487							
Jul	30,000	25,163	(4,837)	25,163							
Aug	30,000	31,346	1,346	31,346							
Sep	30,000	17,032	(12,968)	17,032							
Oct	30,000	37,982	7,982	37,982							
Nov	30,000	39,756	9,756	39,756							
Dec	30,000	23,980	(6,020)	23,980							
Year 2006	360,000	395,920	35,920	364,278					30,076	1,565	
Jan 2007	30,000	24,572	(5,428)	24,572							
Feb	30,000	28,426	(1,574)	28,426							
Mar	30,000	30,533	533	30,533							
Apr	30,000	38,664	8,664	38,664							
May	30,000	44,926	14,926	44,926							
Jun	30,000	31,498	1,498	31,498							
Jul	30,000	35,080	5,080	35,080							
Aug	30,000	42,446	12,446	42,446							
Sep	30,000	24,046	(5,954)	24,046							
Oct	30,000	16,029	(13,971)	16,029							
Nov	-	0	0								
Dec	-	0	0								
Year 2007	300,000	316,220	16,220	316,220							
Contract to Date	1,140,000	1,150,767	10,767	797,057	121,513	36,706	11,406	13,422	153,005	8,060	9,598

BASE PRICE: (FOB Barge/synfuel)

- 2004 \$1.3229 per MMBtu
- 2005 \$1.3671 per MMBtu
- 2006 \$2.5104 per MMBtu
- 2007 \$60.25 per ton

- A. NAME/ADDRESS: Nally and Hamilton Enterprises, Inc./
KUF04014
109 South 4th Street
Bardstown, Kentucky 40004
- B. PRODUCTION FACILITY:
OPERATOR: Nally & Hamilton Enterprises, Inc.
MINES: Mill Branch, Gordon, Doty Creek
LOCATION: Letcher County, KY
- C. CONTRACT EXECUTED DATE: July 1, 2004
- D. CONTRACT DURATION: July 1, 2004 - December 31, 2008
- E. CONTRACT AMENDMENTS: Amendment No. 1 effective September 1,
2006. Amending payment procedures.
Amendment No. 2 effective March 1, 2007.
Amending payment calculation.
- F. ANNUAL TONNAGE
REQUIREMENTS:
- | | |
|------|------------------|
| 2004 | 60,000 tons |
| 2005 | 250,000 tons |
| 2006 | 400,000 tons |
| 2007 | 400,000 tons |
| 2008 | to be determined |
- G. ACTUAL TONNAGE:
RECEIVED:
- | | |
|------|---------------------------------|
| 2004 | 51,673 tons |
| 2005 | 255,782 tons |
| 2006 | 343,980 tons |
| 2007 | 231,013 tons (through 10/31/07) |
- H. PERCENT OF ANNUAL
REQUIREMENTS:
- | | |
|------|------------------------|
| 2004 | 86% |
| 2005 | 102% |
| 2006 | 86% |
| 2007 | 69% (through 10/31/07) |
- I. BASE PRICE: (FOB Railcar)
- | | |
|------|--------------------|
| 2004 | \$1.8400 per MMBtu |
| 2005 | \$1.8400 per MMBtu |
| 2006 | \$1.8800 per MMBtu |
| 2007 | \$47.00 per ton |
| 2008 | to be determined |

J. ESCALATIONS TO DATE: \$3.47 per ton
K. CURRENT CONTRACT PRICE: \$50.47 per ton

A. NAME/ADDRESS:	Massey Coal Sales Company, Inc./ KUF04022 P.O. Box 26765 Richmond, Virginia 23261
B. PRODUCTION FACILITY: OPERATOR:	Bandmill Coal Corp., Elk Run Coal Co., Omar Mining Co.
MINES: LOCATION:	MacBeth, Crystal River, Chesterfield Logan, Boone Counties, WV
C. CONTRACT EXECUTED DATE:	October 25, 2004
D. CONTRACT DURATION:	October 1, 2004 - October 31, 2007
E. CONTRACT AMENDMENTS:	Amendment No. 1 effective September 1, 2006. Amending payment procedures. Amendment No. 2 effective January 1, 2007. Amending expiration date. Amendment No. 3 effective March 1, 2007. Amending payment calculation.
F. ANNUAL TONNAGE REQUIREMENTS:	2004 60,000 tons 2005 200,000 tons 2006 600,000 tons
G. ACTUAL TONNAGE: RECEIVED:	2004 21,399 tons 2005 227,020 tons 2006 408,508 tons 2007 202,533 tons (through 10/31/07)
H. PERCENT OF ANNUAL REQUIREMENTS:	2004 36% 2005 114% 2006 68% 2007 Carry-over tonnage
I. BASE PRICE: (FOB Railcar)	2004 \$2.5584 per MMBtu 2005 \$2.2593 per MMBtu 2006 \$2.1483 per MMBtu 2007 \$51.56 per ton

J. ESCALATIONS TO DATE: None

K. CURRENT CONTRACT PRICE: \$51.56 per ton

A. NAME/ADDRESS: Black Beauty Coal Company / KUF05021
414 South Fares Ave.
Evansville, Indiana 47702

B. PRODUCTION FACILITY:
OPERATOR: Black Beauty Coal Company
MINES: Air Quality Mine
LOCATION: Knox County, IN

C. CONTRACT EXECUTED DATE: December 13, 2004

D. CONTRACT DURATION: January 1, 2005 – December 31, 2008

E. CONTRACT AMENDMENTS: Amendment No.1 effective January 1, 2007.
Amending term, tonnage & price.
Amendment No. 2 effective September 1,
2006. Amending payment procedures.
Amendment No. 3 effective March 1, 2007.
Amending payment calculation.

F. ANNUAL TONNAGE
REQUIREMENTS:

2005	200,000 tons
2006	200,000 tons
2007	300,000 tons
2008	200,000 tons

G. ACTUAL TONNAGE:
RECEIVED:

2005	201,148 tons
2006	205,191 tons
2007	201,420 tons (through 10/31/07)

H. PERCENT OF ANNUAL
REQUIREMENTS:

2005	100%
2006	103%
2007	81% (through 10/31/07)

I. BASE PRICE: (FOB Barge)

2005	\$1.8981 per MMBtu
2006	\$1.9352 per MMBtu
2007	\$46.93 per ton
2008	\$55.50 per ton

J. ESCALATIONS TO DATE: None

K. CURRENT CONTRACT PRICE: \$46.93 per ton

A. NAME/ADDRESS: CONSOL Energy, Inc. / KUF03904
1800 Washington Road
Pittsburgh, Pennsylvania 15241

B. PRODUCTION FACILITY:
OPERATOR: CONSOL of Kentucky
MINES: Mill Creek
LOCATION: Letcher County, KY

C. CONTRACT EXECUTED DATE: January 15, 2003

D. CONTRACT DURATION: January 1, 2003 – December 31, 2007

E. CONTRACT AMENDMENTS: Amendment No. 1 effective January 1, 2005. Amending term, quantity, quality and price.
Amendment No. 2 effective March 1, 2007. Amending payment calculation.

F. ANNUAL TONNAGE REQUIREMENTS:

2003	390,000 tons
2004	360,000 tons
2005	570,000 tons
2006	244,075 tons (includes Force Majeure tons of 130,925)
2007	375,000 tons

G. ACTUAL TONNAGE RECEIVED:

2003	375,821 tons
2004	291,527 tons
2005	443,993 tons
2006	443,477 tons
2007	304,412 tons (through 10/31/07)

H. PERCENT OF ANNUAL REQUIREMENTS:

2003	96%
2004	81%
2005	79%
2006	182%
2007	97% (through 10/31/07)

I. BASE PRICE: (FOB Railcar)	2003	\$1.0400 per MMBtu
	2004	\$1.0600 per MMBtu
	2005	\$1.0800 per MMBtu
	2005	\$1.7200 per MMBtu
	2006	\$1.7221 per MMBtu
	2007	\$42.29 per ton

J. ESCALATIONS TO DATE: None

K. CURRENT CONTRACT PRICE: \$42.29 per ton

A. NAME/ADDRESS:	Consol Energy / KUF05039 1800 Washington Road Pittsburgh, PA 15241
B. PRODUCTION FACILITY:	
OPERATOR:	Consolidation Coal Company
MINES:	Shoemaker
LOCATION:	Marshall County, WV
C. CONTRACT EXECUTED DATE:	December 21, 2004
D. CONTRACT DURATION:	January 1, 2005 - December 31, 2008
E. CONTRACT AMENDMENTS:	Amendment No. 1 effective September 1, 2006. Amending payment procedures. Amendment No. 2 effective March 1, 2007. Amending payment calculation.
F. ANNUAL TONNAGE REQUIREMENTS	2005 841,500 tons (Includes Force Majeure tons of 33,500) 2006 875,000 tons 2007 1,000,000 tons 2008 1,000,000 tons
G. ACTUAL TONNAGE RECEIVED:	2005 682,774 tons 2006 812,338 tons 2007 649,955 tons (through 10/31/07)
H. PERCENT OF ANNUAL REQUIREMENTS:	2005 81% 2006 81% 2007 78% (through 10/31/07)
I. BASE PRICE: (FOB Barge)	2005 \$1.2193 per MMBtu-Quality A 2006 \$1.2439 per MMBtu-Quality A 2007 \$32.218 per ton-Quality A 2008 \$32.838 per ton-Quality A
J. ESCALATIONS TO DATE:	None
K. CURRENT CONTRACT PRICE:	\$32.218 per ton

A. NAME/ADDRESS: Central Coal Company / KUF06106
148 Bristol East Road
Bristol, Virginia 24202

B. PRODUCTION FACILITY:
OPERATOR: Kanawha Eagle Coal, LLC
MINES: Mine 68, Newtown Energy
LOCATION: Kanawha County, WV

C. CONTRACT EXECUTED DATE: June 24, 2005

D. CONTRACT DURATION: January 1, 2006 – December 31, 2008

E. CONTRACT AMENDMENTS: Amendment No. 1 effective September 1,
2006. Amending payment procedures.
Amendment No. 2 effective March 1, 2007.
Amending payment calculation.

F. ANNUAL TONNAGE
REQUIREMENTS: 2006 300,000 tons
2007 300,000 tons

G. ACTUAL TONNAGE:
RECEIVED: 2006 289,448 tons
2007 267,536 tons (through 10/31/07)

H. PERCENT OF ANNUAL
REQUIREMENTS: 2006 96%
2007 107% (through 10/31/07)

I. BASE PRICE: (FOB Barge) 2006 \$2.5610 per MMBtu
2007 \$63.00 per ton

J. ESCALATIONS TO DATE: None

K. CURRENT CONTRACT PRICE: \$63.00 per ton

A. NAME/ADDRESS: Infinity Coal Sales, LLC / KUF06105
3315 Springbank Lane, Suite 106,
Charlotte, North Carolina 28226

B. PRODUCTION FACILITY:
OPERATOR: Panther Coal Company, LLC
MINES: Panther Mine
LOCATION: Kanawha County, WV

C. CONTRACT EXECUTED DATE: August 5, 2005

D. CONTRACT DURATION: January 1, 2006 – December 31, 2008

E. CONTRACT AMENDMENTS: Amendment No. 1 effective September 1,
2006. Amending payment procedures.
Amendment No. 2 effective March 1, 2007.
Amending payment calculation.

F. ANNUAL TONNAGE
REQUIREMENTS:

2006	400,000 tons
2007	400,000 tons
2008	400,000 tons

G. ACTUAL TONNAGE:
RECEIVED:

2006	234,647 tons
2007	370,054 tons (through 10/31/07)

H. PERCENT OF ANNUAL
REQUIREMENTS:

2006	59%
2007	111% (through 10/31/07)

I. BASE PRICE: (FOB Barge)

2006	\$2.3361 per MMBtu
2007	\$57.00 per ton
2008	\$57.00 per ton

J. ESCALATIONS TO DATE: None

K. CURRENT CONTRACT PRICE: \$57.00 per ton

A. NAME/ADDRESS:	Perry County Coal Corp. / KUF06108 200 Allison Blvd. Corbin, Kentucky 40701
B. PRODUCTION FACILITY:	
OPERATOR:	Perry County Coal Corp.
MINES:	E-4 & E-3 mines
LOCATION:	Perry County, KY
C. CONTRACT EXECUTED DATE:	July 1, 2005
D. CONTRACT DURATION:	January 1, 2006 – December 31, 2008
E. CONTRACT AMENDMENTS:	Amendment No. 1 effective September 1, 2006. Amending payment procedures. Amendment No. 2 effective March 1, 2007. Amending payment calculation.
F. ANNUAL TONNAGE REQUIREMENTS:	2006 120,000 tons 2007 120,000 tons 2008 120,000 tons
G. ACTUAL TONNAGE: RECEIVED:	2006 120,077 tons 2007 122,258 tons (through 10/31/07)
H. PERCENT OF ANNUAL REQUIREMENTS:	2006 100% 2007 122% (through 10/31/07)
I. BASE PRICE: (FOB Plant)	2006 \$2.6714 per MMBtu 2007 \$66.25 per ton 2008 \$66.25 per ton
J. ESCALATIONS TO DATE:	\$0.99 per ton
K. CURRENT CONTRACT PRICE:	\$67.24 per ton

A. NAME/ADDRESS: Little Elk Mining Co., LLC / KUF05110
1051 Main Street, Suite 100
Milton, W.Va. 25541

B. PRODUCTION FACILITY:
OPERATOR: Little Elk Mining Co., LLC
MINES: Little Elk Mine
LOCATION: Breathitt, Knott, Perry County, KY

C. CONTRACT EXECUTED DATE: November 1, 2005

D. CONTRACT DURATION: January 1, 2006 – December 31, 2008

E. CONTRACT AMENDMENTS: Amendment No. 1 effective September 1, 2006. Amending payment procedures.
Amendment No. 2 effective March 1, 2007. Amending payment calculation.

F. ANNUAL TONNAGE REQUIREMENTS:

2006	30,000 tons
2007	30,000 tons
2008	30,000 tons

G. ACTUAL TONNAGE RECEIVED:

2006	30,198 tons
2007	35,054 tons (through 10/31/07)

H. PERCENT OF ANNUAL REQUIREMENTS:

2006	100%
2007	140% (through 10/31/07)

I. BASE PRICE: (FOB Plant)

2006	\$2.6667 per MMBtu
2007	\$64.00 per ton
2008	\$64.00 per ton

J. ESCALATIONS TO DATE: \$0.54 per ton

K. CURRENT CONTRACT PRICE: \$64.54 per ton

A. NAME/ADDRESS: Little Elk Mining Co., LLC / KUF05109
1051 Main Street, Suite 100
Milton, W.Va. 25541

B. PRODUCTION FACILITY:
OPERATOR: Little Elk Mining Co., LLC
MINES: Little Elk Mine
LOCATION: Breathitt, Knott, Perry County, KY

C. CONTRACT EXECUTED DATE: August 1, 2005

D. CONTRACT DURATION: January 1, 2006 – June 30, 2009

E. CONTRACT AMENDMENTS: Amendment No. 1 effective September 1, 2006. Amending payment procedures.
Amendment No. 2 effective March 1, 2007. Amending payment calculation.

F. ANNUAL TONNAGE REQUIREMENTS:

2006	270,000 tons
2007	500,000 tons
2008	500,000 tons
2009	130,000 tons

G. ACTUAL TONNAGE RECEIVED:

2006	259,230 tons
2007	350,198 tons (through 10/31/07)

H. PERCENT OF ANNUAL REQUIREMENTS:

2006	96%
2007	84% (through 10/31/07)

I. BASE PRICE: (FOB Railcar)

2006	\$1.9729 per MMBtu
2007	\$47.35 per ton
2008	\$47.35 per ton
2009	\$47.35 per ton

J. ESCALATIONS TO DATE: None

K. CURRENT CONTRACT PRICE: \$47.35 per ton

A. NAME/ADDRESS: ICG, LLC/KUF04056
2000 Ashland Drive
Ashland, Kentucky 41101

B. PRODUCTION FACILITY:
OPERATOR: ICG - Hazard
MINES: Various ICG-Hazard mines
LOCATION: Breathitt, Knott, Perry County, KY

C. CONTRACT EXECUTED DATE: November 11, 2004

D. CONTRACT DURATION: November 13, 2004 – December 31, 2008

E. CONTRACT AMENDMENTS: Amendment No. 1 effective January 1, 2006. Amending term, tons, quality & price.
Amendment No. 2 effective Nov. 1, 2005. Amending price.
Amendment No. 3 effective September 1, 2006. Amending payment procedures.
Amendment No. 4 effective March 1, 2007. Amending payment calculation.

F. ANNUAL TONNAGE REQUIREMENTS:

2004	13,500 tons
2005	216,000 tons
2006	260,000 tons
2007	350,000 tons

G. ACTUAL TONNAGE RECEIVED:

2004	14,701 tons
2005	172,541 tons
2006	298,967 tons
2007	291,740 tons (through 10/31/07)

H. PERCENT OF ANNUAL REQUIREMENTS:

2004	109%
2005	80%
2006	115%
2007	100% (through 10/31/07)

I. BASE PRICE: (FOB Railcar)	2004	\$2.0729 per MMBtu
	2005	\$2.0729 per MMBtu
	2006	\$2.0000 per MMBtu
	2007	\$48.00 per ton

J. ESCALATIONS TO DATE: None

K. CURRENT CONTRACT PRICE: \$48.00 per ton

A. NAME/ADDRESS: Marietta Coal Company / KUF05033
629220 Georgetown Road
Cambridge, Ohio 43725

B. PRODUCTION FACILITY:
OPERATOR Marietta Coal Company
MINE Belmont Mine
LOCATION Belmont and Jefferson Counties, Ohio
MINE West Virginia Strip Mine
LOCATION Ohio County, West Virginia

C. CONTRACT EXECUTED DATE: November 15, 2004

D. CONTRACT DURATION: October 1, 2004 – December 31, 2008

E. CONTRACT AMENDMENTS: Amendment No. 1 effective June 15, 2005.
Amending quality and price for two months
Amendment No. 2 effective September 1,
2006. Amending payment terms.
Amendment No. 3 effective March 1, 2007.
Amending payment calculation.

F. ANNUAL TONNAGE REQUIREMENTS:

2004	0 tons
2005	0 tons
2006	0 tons
2007	150,000 tons
2008	150,000 tons

G. ACTUAL TONNAGE RECEIVED:

2004	0 tons
2005	0 tons
2006	4,977 tons
2007	0 tons (through 10/31/07)

H. PERCENT OF ANNUAL REQUIREMENTS:

2004	-
2005	-
2006	-
2007	0% (through 10/31/07)

I. BASE PRICE (FOB Barge):

2004	\$1.194 per MMBtu
2005	\$1.194 per MMBtu
2006	\$1.216 per MMBtu
2007	\$27.75 per ton
2008	\$28.25 per ton

J. ESCALATIONS TO DATE: None

K. CURRENT CONTRACT PRICE: \$27.75 per ton

A. NAME/ADDRESS: COALSALES, LLC / KUF06118
701 Market Street
St. Louis, Missouri 63101

B. PRODUCTION FACILITY:

OPERATOR	Patriot Coal and Ohio Coal
MINE	Patriot and Freedom Mines
LOCATION	Henderson County, Kentucky
OPERATOR	Black Beauty Coal Company
MINE	Somerville Mine
LOCATION	Gibson County, Indiana

C. CONTRACT EXECUTED DATE: May 23, 2006

D. CONTRACT DURATION: April 1, 2006 – December 31, 2008

E. CONTRACT AMENDMENTS: Amendment No. 1 effective September 1, 2006. Amending payment procedures. Amendment No.2 effective November 2006 adding coal/synfuel. Amendment No. 3 effective March 1, 2007. Amending payment calculation.

F. ANNUAL TONNAGE REQUIREMENTS:

2006	0 tons
2007	400,000 tons
2008	1,000,000 tons

G. ACTUAL TONNAGE RECEIVED:

2006	0 tons
2007	220,708 tons (through 10/31/07)

H. PERCENT OF ANNUAL REQUIREMENTS:

2006	-
2007	66% (through 10/31/07)

I. BASE PRICE (FOB Barge):

2006	\$1.380 per MMBtu – Quality A
2007	\$31.02 per ton – Quality A
2008	\$31.68 per ton – Quality A

J. ESCALATIONS TO DATE: None

K. CURRENT CONTRACT PRICE: \$31.02 per ton

A. NAME/ADDRESS: CHAROLAIS COAL SALES, LLC/J07003
Highway 862, P.O. Box 1999
Madisonville, Kentucky

B. PRODUCTION FACILITY:
OPERATOR Charolais Coal No.1, LLC & Charolais Coal
Resources, LLC
MINE Vogue West & Rock Crusher Mines
LOCATION Muhlenberg County, Kentucky

C. CONTRACT EXECUTED DATE: December 21, 2006

D. CONTRACT DURATION: January 1, 2007 – December 31, 2010

E. CONTRACT AMENDMENTS: None

F. ANNUAL TONNAGE REQUIREMENTS:

2007	300,000 tons
2008	350,000 tons
2009	600,000 tons
2010	500,000 tons

G. ACTUAL TONNAGE RECEIVED:

2007	304,428 tons (through 10/31/07)
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H. PERCENT OF ANNUAL REQUIREMENTS:

2007	91% (through 10/31/07)
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I. BASE PRICE (FOB Barge):

2007	\$32.20 per ton
2008	\$32.75 per ton
2009	\$34.10 per ton
2010	\$36.10 per ton

J. ESCALATIONS TO DATE: None

K. CURRENT CONTRACT PRICE: \$32.20 per ton

A. NAME/ADDRESS: ARCH COAL SALES COMPANY, INC. /
K07001
1 CityPlace, Suite 300
St. Louis, Missouri 63141

B. PRODUCTION FACILITY:
OPERATOR Arch Coal, Inc.
MINE Holden 22
LOCATION Logan County, West Virginia

C. CONTRACT EXECUTED DATE: September 22, 2006

D. CONTRACT DURATION: January 1, 2007 – December 31, 2008

E. CONTRACT AMENDMENTS: None

F. ANNUAL TONNAGE REQUIREMENTS: 2007 240,000 tons
2008 360,000 tons

G. ACTUAL TONNAGE RECEIVED: 2007 184,556 tons (through 10/31/07)

H. PERCENT OF ANNUAL REQUIREMENTS: 2007 92% (through 10/31/07)

I. BASE PRICE (FOB Barge): 2007 \$66.395 per ton
2008 \$66.395 per ton

J. ESCALATIONS TO DATE: None

K. CURRENT CONTRACT PRICE: \$66.395 per ton

A. NAME/ADDRESS:	Hopkins County Coal LLC / K07015 1717 South Boulder Av., Suite 400 Tulsa, Oklahoma 74119-4886
B. PRODUCTION FACILITY:	
OPERATOR	Hopkins County Coal, LLC
MINE	Hopkins County Coal, Webster County Coal, Gibson County Coal
LOCATION	Hopkins, Webster Counties, Kentucky Gibson County, Indiana
C. CONTRACT EXECUTED DATE:	February 5, 2007
D. CONTRACT DURATION:	February 1, 2007 – December 31, 2008
E. CONTRACT AMENDMENTS:	None
F. ANNUAL TONNAGE REQUIREMENTS:	2007 175,000 tons 2008 200,000 tons
G. ACTUAL TONNAGE RECEIVED:	2007 174,768 tons (through 10/31/07)
H. PERCENT OF ANNUAL REQUIREMENTS:	2007 122% (through 10/31/07)
I. BASE PRICE (FOB Plant):	2007 \$43.26 per ton 2008 \$43.26 per ton
J. ESCALATIONS TO DATE:	\$0.21 per ton
K. CURRENT CONTRACT PRICE:	\$43.47 per ton

A. NAME/ADDRESS:	Charolais Coal Sales, LLC & Phoenix Coal Corp. / K07031 1215 Nebo Road, Suite A Madisonville, Kentucky 42431	
B. PRODUCTION FACILITY: OPERATOR MINE LOCATION	Rapid Energy, Inc., & Phoenix Coal Corp. Caterpillarville, Briar Hill Hopkins, Muhlenberg Counties, Kentucky	
C. CONTRACT EXECUTED DATE:	August 1, 2007	
D. CONTRACT DURATION:	August 15, 2007 – December 31, 2009	
E. CONTRACT AMENDMENTS:	Contract assigned from American Mining & Manufacturing, LLC.	
F. ANNUAL TONNAGE REQUIREMENTS:	2007	150,000 tons
	2008	300,000 tons
	2009	300,000 tons
G. ACTUAL TONNAGE RECEIVED:	2007	58,975 tons (through 10/31/07)
H. PERCENT OF ANNUAL REQUIREMENTS:	2007	66% (through 10/31/07)
I. BASE PRICE (FOB Plant):	2007	\$39.79 per ton
	Jan.-Jun 2008	\$40.46 per ton
	Jul.-Dec 2008	\$40.67 per ton
	2009	\$40.42 per ton
J. ESCALATIONS TO DATE:	None	
K. CURRENT CONTRACT PRICE: FOB Plant	\$39.79 per ton	

A. NAME/ADDRESS:	Sands Hill Coal Company / J07004 38701 State Road 160, P.O. Box 650 Hamden, Ohio 45634	
B. PRODUCTION FACILITY:	Sands Hill Coal Company	
OPERATOR	Sands Hill	
MINE	Jackson, Vinton Counties, Ohio	
LOCATION		
C. CONTRACT EXECUTED DATE:	January 2, 2007	
D. CONTRACT DURATION:	January 1, 2007 – December 31, 2008	
E. CONTRACT AMENDMENTS:	None	
F. ANNUAL TONNAGE REQUIREMENTS:	2007	72,000 tons
	2008	90,000 tons
G. ACTUAL TONNAGE RECEIVED:	2007	40,832 tons (through 10/31/07)
H. PERCENT OF ANNUAL REQUIREMENTS:	2007	68% (through 10/31/07)
I. BASE PRICE (FOB Barge):	2007	\$34.50 per ton
	2008	\$35.50 per ton
J. ESCALATIONS TO DATE:	None	
K. CURRENT CONTRACT PRICE:		
FOB Barge	\$34.50 per ton	

KENTUCKY UTILITIES COMPANY

**Response to Information Requested in Appendix A of
Commission's Order Dated January 23, 2008**

Case No. 2007-00524

Question No. 7

Witness: Mike Dotson

- Q-7. a. Does KU regularly compare the price of its coal purchases with those paid by other electric utilities?
- b. If yes, state:
- (1) How KU's prices compare with those of other utilities for the review period.
- (2) The utilities that are included in this comparison and their location.
- A-7. a. Yes
- b. Please see attached sheet.

UTILITY	DEC 06 - NOV 07 ¢/MMBTU	PLANT LOCATIONS
AmerenEnergy Generating Co	148.61	Illinois
AmerenEnergy Resources Generating Co	136.99	Illinois
Appalachian Power Co	185.24	Virginia, West Virginia
Cardinal Operating (AEP)	169.18	Ohio
Columbus Southern Power Co	172.27	Kentucky, Ohio
Dayton Power & Light Co (The)	192.19	Ohio
Duke Energy Indiana	149.4	Indiana
Duke Energy Ohio	162.93	Ohio
East Kentucky Power Coop	212.62	Kentucky
Electric Energy Inc	100.09	Illinois
Hoosier Energy Rural Electric Coop Inc	126.39	Indiana
Indiana Kentucky Electric Corp	167.27	Indiana
Indiana Michigan Power Co	187.9	Indiana
Indianapolis Power & Light	124.18	Indiana
Kentucky Power Co	193.39	Kentucky
Kentucky Utilities Co	214.03	Kentucky
Louisville Gas & Electric Co	154.81	Kentucky
Monongahela Power Co	199.45	West Virginia
Northern Indiana Public Service Co	182.19	Indiana
Ohio Power Co	144.46	Ohio, West Virginia
Ohio Valley Electric Corp	183.16	Ohio
Owensboro Municipal Utilities	103.69	Kentucky
Southern Indiana Gas & Electric Co	173.15	Indiana
Tennessee Valley Authority	182.33	Alabama, Kentucky, Tennessee

Kentucky Utilities ranked 24th for the 12-month period. KU's ranking is the highest of the companies in the comparison group primarily due to the cost of the compliance coal KU purchases. KU expects its dependence on compliance coal to decrease due to the installation of scrubbers at the Ghent and Brown stations. Several of the utilities in the comparison are able to utilize greater amounts of lower cost coal.

KENTUCKY UTILITIES COMPANY

**Response to Information Requested in Appendix A of
Commission's Order Dated January 23, 2008**

Case No. 2007-00524

Question No. 8

Witness: Mike Dotson

Q-8. State the percentage of KU's coal, as of the date of this Order, that is delivered by:

- a. rail.
- b. truck.
- c. barge.

A-8. a. rail 22%
 b. truck 11%
 c. barge 67%

KENTUCKY UTILITIES COMPANY

**Response to Information Requested in Appendix A of
Commission's Order Dated January 23, 2008**

Case No. 2007-00524

Question No. 9

Witness: Mike Dotson

- Q-9. a. State KU's coal inventory level in tons and in number of days' supply as of October 31, 2007.
- b. Describe the criteria used to determine number of days' supply.
- c. Compare KU's coal inventory as of October 31, 2007 to its inventory target for that date.
- d. If actual coal inventory exceeds inventory target by 10 days' supply, state the reasons for excessive inventory.
- e. (1) Does KU expect any significant changes in its current coal inventory target within the next 12 months?
- (2) If yes, state the expected change and the reasons for this change.
- A-9. a. As of November 1, 2007; 811,278 Tons; 38 Days
- b. Days Burn = $\frac{\text{Current inventory tons}}{\text{Preceding 12 months burn (tons)}} \times 365 \text{ Days}$
- c. Target 45 - 50 Days
- d. The actual coal inventory does not exceed the inventory target by 10 days.
- e. (1) No
- (2) Not Applicable

KENTUCKY UTILITIES COMPANY

**Response to Information Requested in Appendix A of
Commission's Order Dated January 23, 2008**

Case No. 2007-00524

Question No. 10

Witness: Mike Dotson

Q-10. a. Has KU audited any of its coal contracts during the period from May 1, 2007 through October 31, 2007?

b. If yes, for each audited contract:

- (1) Identify the contract.
- (2) Identify the auditor.
- (3) State the results of the audit.
- (4) Describe the actions that KU took as a result of the audit.

A-10. a. No. KU has not conducted any financial audits of coal companies. KU's current coal contracts are fixed price. In the case of coal delivered by truck, a portion of the base contract price is adjusted using government published indices to reflect the changes in the cost of diesel fuel. These agreements thus do not require audits. KU's Manager Fuels Technical Services and Mining Engineer do conduct scheduled on-site reviews and inspections of the mining operations and sampling systems of each vendor up to twice a year and may conduct unscheduled visits. Additionally, KU employees may visit a vendor as needed to address problems and issues at any time

Coal mine safety regulations were imposed by the Federal Mine Safety and Health Administration. The U. S. Congress passed the Mine Improvement and New Emergency Response Act of 2006 (MINER Act), which became law on June 15, 2006. For claims received KU has hired Weir International, Inc. (a consultant with experience in the mining industry) to review the request.

CONSOL Energy in accordance with the provisions of Section 8.4 New Imposition of Agreement KUF-03904 requested a Base Price increase of \$0.266 per ton effective January 1, 2007. Per review of the claim the source

mine had been shut down and the coal was being delivered from alternative sources. Consol retracted the claim.

CONSOL Energy in accordance with the provisions of Section 8.4 New Imposition of Agreement KUF-05039 requested a Base Price increase of \$0.708 per ton effective January 1, 2007. Weir's review of the claim was forwarded to CONSOL and a copy was provided to the Commission. CONSOL has offered a settlement number which is being reviewed by Weir.

Smoky Mountain Coal in accordance with the provisions of Section 8.3 New Imposition of Agreement KUF 02860 requested a price increase of \$0.587 per ton for the 18 month period ending June 30, 2007. Weir is reviewing the claim.

Coalsales, LLC in accordance with the provisions of Section of 8.4 New Imposition of Agreement KUF05021 requested a price increase of \$0.43 per ton for the period March – December 2006. Weir is reviewing the claim.

Alpha Natural Resources in accordance with the provisions of Section 8.4 New Impositions of Agreements K07002 and KUF05013 and Section 8.5 New Impositions of Agreement K06001. Adjustments for 2006 were rejected due the claim not exceeding the \$0.05 per ton threshold. The claims for 2007 averaged \$0.24 for the period of January 1 – July 31, 2007. Weir is reviewing the Claim.

Hopkins County in accordance with the provisions of Section 21 Governmental Impositions of Agreement K07015 has sent notice they are in the process of finalizing their calculations and will forward before the end of the first quarter of 2008.

- b. Not applicable.

KENTUCKY UTILITIES COMPANY

**Response to Information Requested in Appendix A of
Commission's Order Dated January 23, 2008**

Case No. 2007-00524

Question No. 11

Witness: Robert M. Conroy

Q-11. a. Has KU received any customer complaints regarding its FAC during the period from May 1, 2007 through October 31, 2007?

b. If yes, for each complaint, state:

(1) The nature of the complaint.

(2) KU's response.

A-11. a. No.

b. Not applicable.

KENTUCKY UTILITIES COMPANY

**Response to Information Requested in Appendix A of
Commission's Order Dated January 23, 2008**

Case No. 2007-00524

Question No. 12

Witness: Mike Dotson

- Q-12. a. Is KU currently involved in any litigation with its current or former coal suppliers?
- b. If yes, for each litigation:
- (1) Identify the coal supplier.
 - (2) Identify the coal contract involved.
 - (3) State the potential liability or recovery to KU.
 - (4) List the issues presented.
 - (5) Provide a copy of the complaint or other legal pleading that initiated the litigation and any answers or counterclaims. If a copy has previously been filed with the Commission, provide the date on which it was filed and the case in which it was filed.
- c. State the current status of all litigation with coal suppliers.

A-12. a. Yes

Coal Purchase Order KUF-03975

- b. (1) Cook & Sons Mining.
- (2) Coal Purchase Order KUF-03975 dated October 2, 2003, entered into post bankruptcy petition.
 - (3) KU seeks to recover cover damages sustained by KU arising from the non-delivery of 27,699 tons of coal.

- (4) KU claimed that the Debtor failed to make delivery of 27,699 tons of coal provided by the Purchase Order and thereby breached the Purchase Order.
 - (5) A copy of the Amended Application for Allowance and Payment of Administrative Expenses filed in the United States Bankruptcy Court in the Eastern District of Kentucky was filed with the Commission as part of the hearing in Case No. 2004-00213.
- c. An Agreed Order issued by United States Bankruptcy Court in the Eastern District of Kentucky was filed with the Commission as part of the hearing in Case No. 2004-00213.

Due to lack of funds, it is anticipated that at some point in time, KU will receive a distribution, but only with respect to a portion of the amount allowed as an administrative expense.

Coal Supply Agreement KUF-06145

- b. (1) Bronco Hazelton Company
- (2) Coal Supply Agreement KUF-06145 dated August 8, 2003, filed for Chapter 11 bankruptcy on May 22, 2006. KU filed a Proof of Claims on January 16 and 17, 2007.
 - (3) KU seeks to recover cover damages sustained by KU arising from the non-delivery of 445,910 tons of coal.
 - (4) KU claimed that the Debtor failed to make delivery of 445,910 tons of coal provided by the Coal Supply Agreement and thereby breached the Coal Supply Agreement.
 - (5) Bronco Hazelton Company's voluntary petition for Chapter 11 bankruptcy filed in the United States Bankruptcy Court in the Southern District of Indiana was filed with the Commission as part of the hearing in Case No. 2006 - 00509.
- c. On May 22, 2006, the United States Bankruptcy Court in the Southern District of Indiana entered an order granting motion to reject the coal supply agreement from Chapter 11 protection and preserving KU rights and claims related to the coal supply agreement. A copy of the order was filed with the Commission as part of the record in Case No. 2006-00509. The debtor is in wind-down mode. Monthly Operating Reports for November and December show deficits of \$378,249.51 and \$198,650.23, respectively. This is a result of the winding up expenses continuing while very little income is received.

Debtor was required to keep mines open until December 21, 2007 so a party in a related lawsuit could conduct discovery.

The motion that resulted in the requirement that the mines stay open indicates the mine equipment will be sold. Continued deficits on Monthly Operating Reports suggest that distribution to creditors will be small.

KENTUCKY UTILITIES COMPANY

**Response to Information Requested in Appendix A of
Commission's Order Dated January 23, 2008**

Case No. 2007-00524

Question No. 13

Witness: Mike Dotson

- Q-13. a. During the period from May 1, 2007 through October 31, 2007, have there been any changes to KU's written policies and procedures regarding its fuel procurement?
- b. If yes:
- (1) Describe the changes.
 - (2) Provide these written policies and procedures as changed.
 - (3) State the date the changes were made.
 - (4) Explain why the changes were made.
- A-13. a. No change.
- b. Not applicable.

KENTUCKY UTILITIES COMPANY

**Response to Information Requested in Appendix A of
Commission's Order Dated January 23, 2008**

Case No. 2007-00524

Question No. 14

Witness: Mike Dotson

- Q-14. a. Is KU aware of any violations of its policies and procedures regarding fuel procurement that occurred prior to or during the period from May 1, 2007 through October 31, 2007?
- b. If yes, for each violation:
- (1) Describe the violation.
 - (2) Describe the action(s) that KU took upon discovering the violation.
 - (3) Identify the person(s) who committed the violation.
- A-14. a. No.
- b. Not applicable.

KENTUCKY UTILITIES COMPANY

**Response to Information Requested in Appendix A of
Commission's Order Dated January 23, 2008**

Case No. 2007-00524

Question No. 15

Witness: Mike Dotson

Q-15. Identify and explain the reasons for all changes that occurred during the period from May 1, 2007 through October 31, 2007 in the organizational structure and personnel of the departments or divisions that are responsible for KU's fuel procurement activities.

A-15. No changes occurred in the Fuels Department during the period under review.

KENTUCKY UTILITIES COMPANY

**Response to Information Requested in Appendix A of
Commission's Order Dated January 23, 2008**

Case No. 2007-00524

Question No. 16

Witness: J. Scott Cooke

- Q-16. a. Identify all changes that KU has made during the period under review to its maintenance and operation practices that also affect fuel usage at KU's generation facilities.
- b. Describe the impact of these changes on KU's fuel usage.
- A-16. a. None.
- b. Not applicable.

KENTUCKY UTILITIES COMPANY

**Response to Information Requested in Appendix A of
Commission's Order Dated January 23, 2008**

Case No. 2007-00524

Question No. 17

Witness: Mike Dotson

Q-17. List each written coal supply solicitation issued during the period from May 1, 2007 through October 31, 2007.

- a. For each solicitation, provide the date of the solicitation, the type of solicitation (contract or spot), the quantities solicited, a general description of the quality of coal solicited, the time period over which deliveries were requested, and the generating unit(s) for which the coal was intended.
- b. For each solicitation, state the number of vendors to whom the solicitation was sent, the number of vendors who responded, and the selected vendor. Provide the bid tabulation sheet or corresponding document that ranked the proposals. (This document should identify all vendors who made offers.) State the reasons for each selection.

A-17. In Case No. 2007-00278, a review of KU's FAC for the period November 1, 2006 through April 30, 2007, the final selection of the vendors who responded to the solicitation dated March 6, 2007 was not complete at the time the data responses were filed. The requested information for selected vendors is provided below.

- a. Date: March 6, 2007
Contract/Spot: Contract and Spot
Quantities: No minimum or maximum specified
Quality: Suitable for LG&E power plants, KU's Ghent power plant and KU's Brown power plant (beginning mid-year 2009)
Period: Up to ten years
Generating Units: All LG&E coal fired units, KU's Ghent power plant and KU's Brown power plant (beginning mid-year 2009)
- b. Number of vendors receiving bids: 162
Number of vendor responses: 16
Selected vendors: The vendors selected were based upon the lowest evaluated delivered cost.

Armstrong Coal Company, J07032
Emerald International, J07029
Pleasant View Mining, J07026

The bid analysis information is confidential and proprietary information and is being filed with the Commission under seal pursuant to a Petition for Confidential Protection.

KENTUCKY UTILITIES COMPANY

**Response to Information Requested in Appendix A of
Commission's Order Dated January 23, 2008**

Case No. 2007-00524

Question No. 18

Witness: Mike Dotson

Q-18. List each oral coal supply solicitation issued during the period from May 1, 2007 through October 31, 2007.

- a. For each solicitation, state why the solicitation was not written, the date(s) of the solicitation, the quantities solicited, a general description of the quality of coal solicited, the time period over which deliveries were requested, and the generating unit(s) for which the coal was intended.
- b. For each solicitation, identify all vendors solicited and the vendor selected. Provide the tabulation sheet or other document that ranks the proposals. (This document should identify all vendors who made offers.) State the reasons for each selection.

A-18. a. None.

b. Not applicable.

KENTUCKY UTILITIES COMPANY

**Response to Information Requested in Appendix A of
Commission's Order Dated January 23, 2008**

Case No. 2007-00524

Question No. 19

Witness: Robert M. Conroy

- Q-19. a. List all intersystem sales during the period under review in which KU used a third party's transmission system.
- b. For each sale listed above:
- (1) Describe how KU addressed for FAC reporting purposes the cost of fuel expended to cover any line losses incurred to transmit its power across the third party's transmission system.
 - (2) State the line loss factor used for each transaction and describe how that line loss factor was determined.
- A-19. a. There were no intersystem sales during the period under review in which KU used a third party's transmission system.
- b. Not applicable.

KENTUCKY UTILITIES COMPANY

**Response to Information Requested in Appendix A of
Commission's Order Dated January 23, 2008**

Case No. 2007-00524

Question No. 20

Witness: Robert M. Conroy

- Q-20. Describe each change that KU made during the period under review to its methodology for calculating intersystem sales line losses.
- A-20. There have been no changes. KU continues to use a line loss factor of one percent to determine the cost of fuel associated with line losses incurred to make an intersystem sale and recovered from such sale consistent with the Commission's August 30, 1999 Order in Case Nos. 94-461-A, 94-461-B, 94-461-C and 96-523 and the March 25, 2003 Order in Case No. 2002-00224.

KENTUCKY UTILITIES COMPANY

**Response to Information Requested in Appendix A of
Commission's Order Dated January 23, 2008**

Case No. 2007-00524

Question No. 21

Witness: Mike Dotson

Q-21. Provide the number of KU's coal purchase contracts which included transportation costs and those that did not during the period May 1, 2007 through October 31, 2007.

a. Explain how it is determined whether or not transportation costs will be included in the coal purchase contract.

b. When transportation is contracted for separately from the coal contract, does KU issue requests for proposals ("RFP") for this service?

(1) If yes, how often does this occur, how many vendors are included in the RFP and how is it determined which vendors will receive the RFP?

(2) If no, explain why an RFP is not issued.

c. Does KU use or contract with any related parties for transportation of its coal purchases? If yes, provide the name of the related party and nature of the relationship, the period of time it has contracted with the party and copies of any contracts with the related party if not previously filed with the Commission.

A-21. Contracts that include transportation: (8)
Contract purchased FOB railcar or FOB barge: (24)

a. E.W. Brown Station is purchased primarily FOB railcar, however some agreements allow for coal to be purchased both FOB railcar and FOB coal stockpile delivered via truck.

Green River and Tyrone Stations is purchased FOB coal stockpile delivered via truck.

Ghent Station final delivery is via barge. Coal may be purchased either FOB barge or FOB railcar. KU contracts for transportation services for rail and barge. A more competitive transportation rate is obtained by grouping all of the transportation requirements into a single barge transportation contract and contracting separately with the applicable railroad serving the final destination point.

- b. Yes. KU issues requests for proposals (“RFP”) for barge transportation services and negotiates individually with the particular railroad serving the Brown plant or river dock for compliance coal (usually a sole right of service for the railroad).
 - (1) The transportation services RFP is issues prior to the expiration of the current transportation services agreement. The RFP for barge transportation services is sent to the major barge lines serving the Ohio River. The vendor selected is based upon the lowest evaluated barge freight rates to the Ghent power plants. An RFP for rail transportation services is not issued (See part 2 below).
 - (2) An RFP is not issued for rail transportation services due to the fact the railroad normally has a sole right of service to the Brown power plant or river dock and owns the trackage into the plant or dock. Nonetheless, rail transportation remains significantly lower in cost that truck transportation, the only alternative means of delivering coal to the Brown station.
- c. No.