



Jeff DeRouen
Executive Director
Kentucky Public Service Commission
211 Sower Boulevard
Frankfort, Kentucky 40602-0615

RECEIVED
FEB 17 2010
**PUBLIC SERVICE
COMMISSION**

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

February 17, 2010

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

**RE: *AN EXAMINATION OF THE APPLICATION OF THE
FUEL ADJUSTMENT CLAUSE OF KENTUCKY
UTILITIES COMPANY FROM MAY 1, 2009
THROUGH OCTOBER 31, 2009 –
CASE NO. 2009-00507***

Dear Mr. DeRouen:

Enclosed please find an original and ten (10) copies of the Response of Kentucky Utilities Company to Information Requested in the Appendix of the Commission's Order dated January 27, 2010, in the above-referenced proceeding.

Also enclosed are an original and ten (10) copies of a Petition for Confidential Protection regarding certain information provided in response to Question No. 19 and Question No. 20.

Due to the unavailability of Frederick D. Jackson to sign his verification page, the Company will file his verification page separately.

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

Sincerely,

Robert M. Conroy

Enclosures

COMMONWEALTH OF KENTUCKY
BEFORE THE PUBLIC SERVICE COMMISSION

RECEIVED

FEB 17 2010

PUBLIC SERVICE
COMMISSION

In the Matter of:

AN EXAMINATION OF THE
APPLICATION OF THE FUEL
ADJUSTMENT CLAUSE OF KENTUCKY
UTILITIES COMPANY FROM MAY 1,
2009 THROUGH OCTOBER 31, 2009

)
)
) CASE NO.
) 2009-00507
)

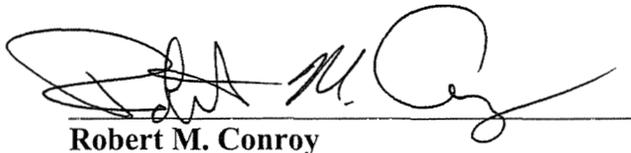
RESPONSE OF
KENTUCKY UTILITIES COMPANY
TO
INFORMATION REQUESTED IN
APPENDIX OF COMMISSION'S ORDER
DATED JANUARY 27, 2010

FILED: February 17, 2010

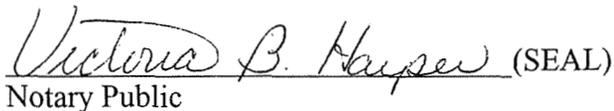
VERIFICATION

COMMONWEALTH OF KENTUCKY)
) SS:
COUNTY OF JEFFERSON)

The undersigned, **Robert M. Conroy**, being duly sworn, deposes and says that he is Director - Rates for E.ON U.S. Services, Inc., and that he has personal knowledge of the matters set forth in the responses for which he is identified as the witness, 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 15th day of February 2010.

 (SEAL)
Notary Public

My Commission Expires:

Sept 20, 2010

VERIFICATION

COMMONWEALTH OF KENTUCKY)
) SS:
COUNTY OF JEFFERSON)

The undersigned, **Mike Dotson**, being duly sworn, deposes and says that he is Manager – LG&E and KU Fuels for E.ON U.S. Services, Inc., and that he has personal knowledge of the matters set forth in the responses for which he is identified as the witness, and the answers contained therein are true and correct to the best of his information, knowledge and belief.

Mike Dotson
Mike Dotson

Subscribed and sworn to before me, a Notary Public in and before said County and State, this 15th day of February 2010.

Victoria B. Harper (SEAL)
Notary Public

My Commission Expires:

Sept 20, 2010

KENTUCKY UTILITIES COMPANY

**Response to Information Requested in Appendix of
Commission's Order Dated January 27, 2010**

Case No. 2009-00507

Question No. 1

Witness: Mike Dotson

Q-1. For the period from May 1, 2009 through October 31, 2009, 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 the attached sheet.

PURCHASE VENDOR	PURCHASE TONNAGE	TYPE
Alpha Coal Sales Company LLC	242,120	Contract
Armstrong Coal Company	370,090	Contract
Charolais Coal Sales LLC	271,491	Contract
Charolais Coal Sales LLC	118,069	Contract
Coal Network Inc.	96,238	Spot
COALSALES LLC	44,346	Spot
CONSOL Energy Inc.	16,062	Contract
Covenant Coal Corp	69,773	Spot
CSV Inc	15,694	Spot
CSV Inc	1,593	Spot
Cumberland Elkhorn Coal & Coke	1,589	Spot
Duke Energy Ohio Inc	48,119	Spot
Emerald International Corporation	66,787	Contract
Hopkins County Coal LLC	129,620	Contract
International Coal Group LLC	85,446	Contract
Knight Hawk Coal LLC	38,199	Spot
Marietta Coal Company	8,326	Spot
Marietta Coal Company	16,117	Contract
Nally & Hamilton Enterprises Inc.	142,218	Contract
Oxford Mining Company - Kentucky LLC	66,631	Contract
Oxford Mining Company - Kentucky LLC	9,350	Contract
Patriot Coal Corporation	366,881	Contract
Patriot Coal Corporation	97,627	Contract
Patriot Coal Corporation	11,962	Spot
Perry County Coal Corporation	75,575	Contract
Perry County Coal Corporation	33,449	Contract
Rhino Energy LLC	88,814	Contract
Southern Appalachian Fuels	56,793	Spot
The American Coal Company	294,655	Contract
Trinity Coal Marketing LLC	547,137	Contract
Western Kentucky Minerals Inc.	24,884	Spot
TOTAL	3,455,653	

KENTUCKY UTILITIES COMPANY

**Response to Information Requested in Appendix of
Commission's Order Dated January 27, 2010**

Case No. 2009-00507

Question No. 2

Witness: Robert M. Conroy

- Q-2. For the period from May 1, 2009 through October 31, 2009, list each vendor from whom natural gas was purchased for generation and the quantities and the nature of each purchase (e.g., spot or contract).
- A-2. Please see the attachment for the list of vendors, associated quantities, and nature of natural gas purchases.

Please note that purchases from Louisville Gas & Electric (IntraCo) are primarily for LG&E owned coal and gas fired generation served by the local distribution company; however, other natural gas purchases are made on an aggregate basis and not by utility ownership percentages of individual generating units. KU and LG&E have joint ownership in certain CT units. Trimble County Units 5 and 6 are owned 71% by KU and 29% by LG&E. Trimble County Units 7, 8, 9, and 10 are owned 63% by KU and 37% by LG&E. Brown Unit 5 and Paddy's Run Unit 13 are owned 47% by KU and 53% by LG&E. Brown Units 6 and 7 are owned 62% by KU and 38% by LG&E. Fuel expenses, not individual natural gas purchase transactions, are allocated to the Companies based on their respective ownership percentages.

Natural Gas Purchases 05/1/2009 - 10/31/2009

<i>Purchase</i>		
<i>Vendor</i>	<i>MMBTU</i>	<i>Type</i>
BG Energy Merchants	32,000	Spot
BP Energy	36,120	Spot
Chevron Natural Gas	31,400	Spot
CIMA Energy	76,800	Spot
Colonial Energy	177,871	Spot
Columbia Gas KY	1,270	Spot*
Conoco Phillips	57,000	Spot
Enbridge	9,600	Spot
Fortis Energy	17,500	Spot
Louisville Gas & Electric	229,210	Spot*
Louis Dreyfus	10,800	Spot
Macquarie Cook	125,226	Spot
Marathon	3,100	Spot
National Energy & Trade	192,700	Spot
NJR Energy Service	308,235	Spot
Oneok Energy	111,688	Spot
Petrocom Ventures	12,000	Spot
Proliance Energy	32,800	Spot
Sequent Energy	135,381	Spot
Shell Energy	94,218	Spot
Tenaska Mktg	130,443	Spot
Tennessee Gas Pipeline	263	Imbalance
Total Gas & Power	48,592	Spot
Tennessee Valley Authority	20,000	Spot
United Energy	15,000	Spot
Total	1,909,217	

* - Local Distribution Company service, with no volume purchase commitments.

KENTUCKY UTILITIES COMPANY

**Response to Information Requested in Appendix of
Commission's Order Dated January 27, 2010**

Case No. 2009-00507

Question No. 3

Witness: Robert M. Conroy

Q-3. State whether KU engages in hedging activities for its natural gas purchases used for generation. If yes, describe the hedging activities in detail.

A-3. No.

KENTUCKY UTILITIES COMPANY

**Response to Information Requested in Appendix of
Commission's Order Dated January 27, 2010**

Case No. 2009-00507

Question No. 4

Witness: Mike Dotson / Charles R. Schram

Q-4. For each generating station or unit for which a separate coal pile is maintained, state, for the period from May 1, 2009 through October 31, 2009, 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-4. For May 1, 2009 to October 31, 2009

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.

Plant	Coal Burn (Tons)	Coal Receipts (Tons)	Net MWh	Capacity Factor (Net MWh)/(period hrs x MW rating)
E. W. Brown 1-3	486,946	536,970	1,117,943	36.3%
Ghent 1-4	2,748,005	2,766,895	5,764,821	68.1%
Green River 3, 4	159,862	151,788	324,321	45.1%
Tyrone 3	-	-	(707)	0.0%

Note: Tyrone 3 was on Inactive Reserve during the period under review.

KENTUCKY UTILITIES COMPANY

**Response to Information Requested in Appendix of
Commission's Order Dated January 27, 2010**

Case No. 2009-00507

Question No. 5

Witness: Charles R. Schram

Q-5. List all firm power commitments for KU from May 1, 2009 through October 31, 2009 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-5. a. Firm Purchases

The firm purchases from Owensboro Municipal Utilities (OMU) and Dynegy for the review period are shown below. As reported in Case No. 2009-00287 filed with the Commission on September 10, 2009, the contract with OMU will terminate on May 16, 2010. Dynegy served as a firm reserve margin purchase for June through September 2009.

<u>Utility</u>	<u>MW</u>	<u>Purpose</u>
Owensboro Municipal Utilities	~170	Baseload
Dynegy (6/1/09-9/30/09)	~165	Peaking

The firm purchases from Ohio Valley Electric Corporation (OVEC) for the review period are shown in the table below. KU purchased its participation ratio (2.5%) of the OVEC released capacity for the months in question:

<u>Utility</u>	<u>Companies' Amt (MW)</u>	<u>KU Portion (MW)</u>	<u>Purpose</u>
OVEC (May 2009)	~ 131	~ 40	Baseload
OVEC (Jun 2009)	~ 150	~ 46	Baseload
OVEC (Jul 2009)	~ 156	~ 48	Baseload
OVEC (Aug 2009)	~ 157	~ 48	Baseload
OVEC (Sep 2009)	~ 136	~ 42	Baseload
OVEC (Oct 2009)	~ 143	~ 44	Baseload

b. Sales

None.

KENTUCKY UTILITIES COMPANY

**Response to Information Requested in Appendix of
Commission's Order Dated January 27, 2010**

Case No. 2009-00507

Question No. 6

Witness: Robert M. Conroy

Q-6. Provide a monthly billing summary for sales to all electric utilities for the period May 1, 2009 through October 31, 2009.

A-6. Please see the attached sheets.

Kentucky Utilities Company

POWER TRANSACTION SCHEDULE

Month Ended: May 31, 2009

Company	Type of Transaction	KWH	Billing Components			Total Charges(\$)
			Demand(\$)	Fuel Charges(\$)	Other Charges(\$)	
<u>Sales</u>						
MIDWEST INDEPENDENT TRANSMISSION SYSTEM OPERATOR,	MISO	Economy		1,932.93	521.79	2,454.72
MIDWEST CONTINGENCY RESERVE SHARING GROUP	MCRS	Economy		756.71	244.40	1,001.11
PJM INTERCONNECTION ASSOCIATION	PJM	Economy		13,997.34	3,778.62	17,775.96
AMERICAN ELECTRIC POWER SERVICE CORP	AEP	Economy		424.65	114.63	539.28
CARGILL- ALLIANT, LLC	CARG	Economy		824.06	222.46	1,046.52
COBB ELECTRIC MEMBERSHIP CORPORATION	COBB	Economy		220.79	71.31	292.10
DUKE ENERGY CAROLINAS, LLC	DECA	Economy		7,000	99.62	408.08
ENDURE ENERGY	ENDU	Economy		11,000	92.67	122.60
FORTIS ENERGY MARKETING & TRADING GP	FORT	Economy		3,000	68.33	90.40
ILLINOIS MUNICIPAL ELECTRIC AGENCY	IMEA	Economy		2,000	480.72	610.49
INDIANA MUNICIPAL POWER AGENCY	IMPA	Economy		13,000	478.16	607.23
PROGRESS ENERGIES CAROLINAS INC.	PROC	Economy		13,000	461.38	585.93
THE ENERGY AUTHORITY	TEA	Economy		37,000	1,238.95	1,573.41
TENNESSEE VALLEY AUTHORITY	TVA	Economy		13,000	459.34	583.35
AMEREN ENERGY, INC.	AMRN	Economy		1,000	31.27	41.38
WESTAR ENERGY, INC.	WSTR	Economy		6,000	203.85	269.70
OWENSBORO MUNICIPAL UTILITIES	OMU	Economy		319,000	10,769.53	12,267.39
LOUISVILLE GAS & ELECTRIC	LGE	Economy		102,567,000	2,881,630.87	3,192,977.67
SUBTOTAL				103,544,000	2,914,380.01	3,233,653.32
TOTAL				103,544,000	-	2,914,380.01

Kentucky Utilities Company

POWER TRANSACTION SCHEDULE

Month Ended: June 30, 2009

Company	Type of Transaction	KWH	Billing Components			Total Charges(\$)
			Demand(\$)	Fuel Charges(\$)	Other Charges(\$)	
				386.55	226.37	612.92
<u>Sales</u>				5,891.66	3,450.27	9,341.93
MIDWEST INDEPENDENT TRANSMISSION SYSTEM OPERATOR, INC.	MISO	Economy		86,000		86,000
MIDWEST CONTINGENCY RESERVE SHARING GROUP	MCRS	Economy		132,000		132,000
PJM INTERCONNECTION ASSOCIATION	PJM	Economy		1,000		1,000
AMERICAN ELECTRIC POWER SERVICE CORP.	AEP	Economy		1,000		1,000
AMEREN ENERGY MARKETING COMPANY	AMEM	Economy		6,000		6,000
CARGILL- ALLIANT, LLC	CARG	Economy		1,000		1,000
ENDURE ENERGY	ENDU	Economy		20,000		20,000
ILLINOIS MUNICIPAL ELECTRIC AGENCY	IMEA	Economy		20,000		20,000
INDIANA MUNICIPAL POWER AGENCY	IMPA	Economy		2,000		2,000
SEMPRA ENERGY TRADING CORP.	SEMP	Economy		36,000		36,000
THE ENERGY AUTHORITY	TEA	Economy		31,000		31,000
TENNESSEE VALLEY AUTHORITY	TVA	Economy		2,000		2,000
AMEREN ENERGY, INC.	AMRN	Economy		2,000		2,000
WESTAR ENERGY, INC.	WSTR	Economy		2,000		2,000
LOUISVILLE GAS & ELECTRIC	LGE	Economy		20,249,000		20,249,000
SUBTOTAL				<u>20,606,000</u>		<u>20,606,000</u>
TOTAL				<u>20,606,000</u>	<u>614,709.93</u>	<u>21,220,709.93</u>
				<u>627,956.22</u>	<u>78,546.86</u>	<u>706,503.08</u>
				<u>-</u>	<u>78,546.86</u>	<u>78,546.86</u>
				<u>627,956.22</u>	<u>78,546.86</u>	<u>706,503.08</u>

Kentucky Utilities Company

POWER TRANSACTION SCHEDULE

Month Ended: July 31, 2009

Company

Sales

MIDWEST CONTINGENCY RESERVE SHARING GROUP
 OWENSBORO MUNICIPAL UTILITIES
 OWENSBORO MUNICIPAL UTILITIES
 LOUISVILLE GAS & ELECTRIC
 SUBTOTAL
 TOTAL

Type of Transaction	KWH	Demand(\$)	Billing Components		Total Charges(\$)
			Fuel Charges(\$)	Other Charges(\$)	
	(35,000)		(1,244.06)	1,244.06	-
MCRS Economy	2,768,000	-	95,545.35	12,463.11	108,008.46
OMU Economy	-	-	-	2,139.00	2,139.00
OMU Allowances	5,194,000	-	157,459.97	18,626.34	176,086.31
LGE Economy	7,927,000	-	251,761.26	34,472.51	286,233.77
	7,927,000	-	251,761.26	34,472.51	286,233.77

Kentucky Utilities Company

POWER TRANSACTION SCHEDULE

Month Ended: August 31, 2009

Company	Type of Transaction	KWH	Billing Components			Total Charges(\$)
			Demand(\$)	Fuel Charges(\$)	Other Charges(\$)	
<u>Sales</u>						
MIDWEST INDEPENDENT TRANSMISSION SYSTEM OPERATOR, INC.	MISO Economy	6,000		\$ 319.95	\$ 78.34	\$ 398.29
MIDWEST CONTINGENCY RESERVE SHARING GROUP	MCRS Economy	49,000		\$ 4,174.12	\$ 1,021.98	\$ 5,196.10
PJM INTERCONNECTION ASSOCIATION	PJM Economy	45,000		\$ 1,346.37	\$ 329.64	\$ 1,676.01
AMERICAN ELECTRIC POWER SERVICE CORP.	AEP Economy	10,000		\$ 361.68	\$ 88.56	\$ 450.24
CARGILL- ALLIANT, LLC	CARG Economy	72,000		\$ 2,258.95	\$ 553.07	\$ 2,812.02
COBB ELECTRIC MEMBERSHIP CORPORATION	COBB Economy	9,000		\$ 269.41	\$ 65.97	\$ 335.38
ILLINOIS MUNICIPAL ELECTRIC AGENCY	IMEA Economy	631,000		\$ 24,757.55	\$ 6,061.56	\$ 30,819.11
INDIANA MUNICIPAL POWER AGENCY	IMPA Economy	633,000		\$ 24,484.73	\$ 5,994.76	\$ 30,479.49
THE ENERGY AUTHORITY	TEA Economy	79,000		\$ 2,665.84	\$ 652.70	\$ 3,318.54
TENNESSEE VALLEY AUTHORITY	TVA Economy	52,000		\$ 1,562.41	\$ 382.53	\$ 1,944.94
AMEREN ENERGY, INC.	AMRN Economy	21,000		\$ 627.34	\$ 153.57	\$ 780.91
OWENSBORO MUNICIPAL UTILITIES	OMU Economy	187,000	\$ -	\$ 6,675.38	\$ 905.62	\$ 7,581.00
OWENSBORO MUNICIPAL UTILITIES	OMU Allowances	-		\$ -	\$ 246.00	\$ 246.00
LOUISVILLE GAS & ELECTRIC	LGE Economy	7,455,000		\$ 234,202.99	\$ 16,686.71	\$ 250,889.70
SUBTOTAL		9,249,000	\$ -	\$ 303,706.72	\$ 33,221.01	\$ 336,927.73
TOTAL		9,249,000	\$ -	\$ 303,706.72	\$ 33,221.01	\$ 336,927.73

Kentucky Utilities Company

POWER TRANSACTION SCHEDULE

Month Ended: September 30, 2009

Company

Sales

OWENSBORO MUNICIPAL UTILITIES
LOUISVILLE GAS & ELECTRIC
SUBTOTAL
TOTAL

OMU
LGE

Type of Transaction	KWH	Billing Components			Total Charges(\$)
		Demand(\$)	Fuel Charges(\$)	Other Charges(\$)	
Allowances	-		\$ -	\$ -	\$ -
Economy	10,790,000		\$ 314,154.12	\$ 21,294.67	\$ 335,448.79
	<u>10,790,000</u>	\$ -	<u>\$ 314,154.12</u>	<u>\$ 21,294.67</u>	<u>\$ 335,448.79</u>
	10,790,000	\$ -	\$ 314,154.12	\$ 21,294.67	\$ 335,448.79

Kentucky Utilities Company

POWER TRANSACTION SCHEDULE

Month Ended: October 31, 2009

Company	Type of Transaction	KWH	Billing Components			Total Charges(\$)
			Demand(\$)	Fuel Charges(\$)	Other Charges(\$)	
				\$ 6,355.64	\$ 1,772.68	\$ 8,128.32
<u>Sales</u>				\$ 1,008.06	\$ 291.68	\$ 1,299.74
MIDWEST INDEPENDENT TRANSMISSION SYSTEM OPERATOR,	MISO	Economy				
MIDWEST CONTINGENCY RESERVE SHARING GROUP	MCRS	Economy		\$ 55,105.10	\$ 15,369.67	\$ 70,474.77
PJM INTERCONNECTION ASSOCIATION	PJM	Economy		\$ 1,964.05	\$ 568.28	\$ 2,532.33
ASSOCIATED ELECT COOPERATIVE	AECI	Economy		\$ 4,658.53	\$ 1,299.34	\$ 5,957.87
AMERICAN ELECTRIC POWER SERVICE CORP.	AEP	Economy		\$ 7,698.74	\$ 2,147.30	\$ 9,846.04
CARGILL- ALLIANT, LLC	CARG	Economy		\$ 4,450.99	\$ 1,241.46	\$ 5,692.45
ENDURE ENERGY	ENDU	Economy		\$ 2,036.92	\$ 589.37	\$ 2,626.29
FORTIS ENERGY MARKETING & TRADING GP	FORT	Economy		\$ 3,219.26	\$ 897.91	\$ 4,117.17
MERRILL LYNCH COMMODITIES INC.	MLCM	Economy		\$ 11,617.56	\$ 3,240.32	\$ 14,857.88
THE ENERGY AUTHORITY	TEA	Economy		\$ 166.72	\$ 48.24	\$ 214.96
TENASKA POWER SERVICES CO.	TPS	Economy		\$ 29,875.91	\$ 8,332.83	\$ 38,208.74
TENNESSEE VALLEY AUTHORITY	TVA	Economy		\$ 210.19	\$ 60.82	\$ 271.01
AMEREN ENERGY, INC.	AMRN	Economy		\$ 2,020,709.99	\$ 125,718.55	\$ 2,146,428.54
LOUISVILLE GAS & ELECTRIC	LGE	Economy		\$ 2,149,077.66	\$ 161,578.45	\$ 2,310,656.11
SUBTOTAL				\$ -	\$ 161,578.45	\$ 2,310,656.11
TOTAL				\$ -	\$ 161,578.45	\$ 2,310,656.11

KENTUCKY UTILITIES COMPANY

**Response to Information Requested in Appendix of
Commission's Order Dated January 27, 2010**

Case No. 2009-00507

Question No. 7

Witness: Frederick D. Jackson

Q-7. List KU's scheduled, actual, and forced outages from May 1, 2009 through October 31, 2009.

A-7. Please see the attached sheets.

Kentucky Utilities Company
 E. W. Brown Unit 1 - Coal - 101 MW
 May 2009 through October 2009

Schedule vs. Actual

MONTH	MAINTENANCE				HOURS OF DURATION			REASON FOR DEVIATION FROM SCHEDULED MAINTENANCE OR REASON FOR FORCED OUTAGE AS APPROPRIATE
	Scheduled		Actual		Scheduled	Forced	Actual	
	FROM	TO*	FROM	TO				
May	F			5/2/2009 9:34	5/3/2009 19:45		34:11	Boiler tube waterwall leak.
	S	5/6/2009 9:00	5/6/2009 19:23	5/6/2009 9:00	5/8/2009 19:23	58:23	58:23	Turbine intercept valves.
Jun		No Outages > or = 6 Hours						
Jul	S	7/22/2009 0:01	7/22/2009 21:55	7/22/2009 0:01	7/22/2009 21:55	21:54	21:54	Service water piping.
Aug		No Outages > or = 6 Hours						
Sep		No Outages > or = 6 Hours						
Oct	S	10/10/2009 0:00	→	10/9/2009 22:00	→	528:00	530:00	Boiler inspection.

Report dates of forced outage in columns headed Actual

Schedule vs. Actual

Kentucky Utilities Company
 E. W. Brown Unit 2 - Coal - 167 MW
 May 2009 through October 2009

MONTH	MAINTENANCE				HOURS OF DURATION			REASON FOR DEVIATION FROM SCHEDULED MAINTENANCE OR REASON FOR FORCED OUTAGE AS APPROPRIATE
	Scheduled		Actual		Scheduled	Forced	Actual	
	FROM	TO	FROM	TO				
May	S	5/28/2009 21:42	→ 5/28/2009 21:42	→	74:18		74:18	Electrostatic precipitator.
Jun	S	→	6/1/2009 9:02	→	6/1/2009 9:02	9:02	9:02	" "
	F		6/28/2009 0:31	6/29/2009 1:48		25:17		Generator lockout trip.
Jul	S	7/22/2009 0:01	7/22/2009 21:55	7/22/2009 0:01	7/22/2009 21:55	21:54	21:54	Service water piping.
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

Schedule vs. Actual

Kentucky Utilities Company
 E. W. Brown Unit 3 - Coal - 429 MW
 May 2009 through October 2009

MONTH	MAINTENANCE				HOURS OF DURATION			REASON FOR DEVIATION FROM SCHEDULED MAINTENANCE OR REASON FOR FORCED OUTAGE AS APPROPRIATE
	Scheduled		Actual		Scheduled	Forced	Actual	
	FROM	TO	FROM	TO				
May	S	→	5/17/2009 15:00	→	5/20/2009 2:43	399:00	458:43	Boiler inspection.
	F			5/20/2009 2:43	5/20/2009 19:41		16:58	Hydrogen system.
Jun	S	6/5/2009 3:30	6/5/2009 13:45	6/5/2009 3:30	6/5/2009 13:45	10:15	10:15	Service water valves.
	F			6/15/2009 14:56	6/16/2009 5:27		14:31	Feedwater piping and supports.
	F			6/24/2009 17:03	→		150:57	Exciter.
Jul	F			→	7/6/2009 2:15		122:15	"
	F			7/6/2009 7:40	7/6/2009 23:05		15:25	Automatic turbine control system.
Aug	F			8/24/2009 6:11	8/25/2009 7:03		24:52	Exciter.
	F			8/25/2009 7:03	8/25/2009 21:07		14:04	Boiler recirculation pumps.
Sep	S	9/18/2009 18:08	9/25/2009 23:36	9/18/2009 18:08	9/25/2009 23:36	173:28	173:28	Exciter.
Oct	S	10/29/2009 20:33	→	10/29/2009 20:33	→	51:27	51:27	Second reheater leak.

Report dates of forced outage in columns headed Actual

Schedule vs. Actual

Kentucky Utilities Company
 Ghent Unit 1 - Coal - 475 MW
 May 2009 through October 2009

MONTH	MAINTENANCE				HOURS OF DURATION			REASON FOR DEVIATION FROM SCHEDULED MAINTENANCE OR REASON FOR FORCED OUTAGE AS APPROPRIATE	
	Scheduled		Actual		Scheduled	Forced	Actual		
	FROM	TO	FROM	TO					
May	S	5/30/2009 19:45	5/31/2009 23:47	5/30/2009 19:45	5/31/2009 23:47	28:02		28:02	Fly ash removal system.
Jun	No Outages > or = 6 Hours								
Jul	F			7/17/2009 20:53	7/25/2009 17:00		188:07		Electrostatic precipitator.
	F			7/25/2009 17:00	7/27/2009 3:04		34:04		Service water piping.
Aug	No Outages > or = 6 Hours								
Sep	F			9/4/2009 16:09	9/6/2009 6:37		38:28		Service water pumps.
	S	9/29/2009 21:25	→	9/29/2009 21:25	→	26:35		26:35	Boiler tube waterwall leak.
Oct	S	→	10/2/2009 17:25	→	10/2/2009 17:25	41:25		41:25	" " " "

Report dates of forced outage in columns headed Actual

Schedule vs. Actual

MONTH	MAINTENANCE				HOURS OF DURATION			REASON FOR DEVIATION FROM SCHEDULED MAINTENANCE OR REASON FOR FORCED OUTAGE AS APPROPRIATE
	Scheduled		Actual		Scheduled	Forced	Actual	
	FROM	TO	FROM	TO				
May	S	→	5/24/2009 15:00	→	5/16/2009 12:05	567:00	372:05	FGD installation.
	S	5/17/2009 2:39	5/17/2009 16:33	5/17/2009 2:39	5/17/2009 16:33	13:54	13:54	Data control system.
	F			5/20/2009 0:51	5/21/2009 9:50		32:59	First reheater leak.
Jun	S	6/12/2009 22:27	6/14/2009 2:00	6/12/2009 22:27	6/14/2009 2:00	27:33	27:33	First reheater leak.
Jul	S	7/3/2009 22:03	7/4/2009 20:23	7/3/2009 22:03	7/4/2009 20:23	22:20	22:20	Deaerator.
	F			7/25/2009 0:29	7/26/2009 23:06		46:37	Service water piping.
Aug	No Outages > or = 6 Hours							
Sep	F			9/20/2009 6:02	9/20/2009 15:20		9:18	Data control system.
Oct	No Outages > or = 6 Hours							

Report dates of forced outage in columns headed Actual

Schedule vs. Actual

Kentucky Utilities Company
 Ghent Unit 3 - Coal - 480 MW
 May 2009 through October 2009

MONTH	MAINTENANCE				HOURS OF DURATION			REASON FOR DEVIATION FROM SCHEDULED MAINTENANCE OR REASON FOR FORCED OUTAGE AS APPROPRIATE
	Scheduled		Actual		Scheduled	Forced	Actual	
	FROM	TO	FROM	TO				
May	S	5/8/2009 22:16	5/10/2009 4:16	5/8/2009 22:16	5/10/2009 4:16	30:00	30:00	Induced draft fans.
Jun	No Outages > or = 6 Hours							
Jul	F			7/9/2009 21:28	7/11/2009 12:41		39:13	First superheater leak.
	F			7/30/2009 22:23	—————>		25:37	First superheater slagging.
Aug	F			—————>	8/2/2009 18:44		42:44	" " "
Sep	No Outages > or = 6 Hours							
Oct	S	10/31/2009 0:00	—————>	10/30/2009 17:10	—————>	24:00	30:50	Boiler inspection.

Report dates of forced outage in columns headed Actual

Kentucky Utilities Company
 Ghent Unit 4 - Coal - 479 MW
 May 2009 through October 2009

Schedule vs. Actual

MONTH	MAINTENANCE				HOURS OF DURATION			REASON FOR DEVIATION FROM SCHEDULED MAINTENANCE OR REASON FOR FORCED OUTAGE AS APPROPRIATE
	Scheduled		Actual		Scheduled	Forced	Actual	
	FROM	TO	FROM	TO				
May	No Outages > or = 6 Hours							
Jun	F		6/30/2009 14:44	→			9:16	Boiler tube waterwall leak.
Jul	F		→	7/3/2009 18:31			66:31	" " " "
	F		7/10/2009 8:37	7/14/2009 1:29			88:52	Turbine crossover piping.
	S	7/29/2009 21:58	7/30/2009 5:00	7/29/2009 21:58	7/30/2009 5:00	7:02	7:02	Turbine hydraulic system.
Aug	No Outages > or = 6 Hours							
Sep	No Outages > or = 6 Hours							
Oct	S	10/10/2009 0:00	10/25/2009 15:00	10/9/2009 22:02	10/25/2009 3:33	375:00	365:31	Boiler inspection.
	F			10/27/2009 4:58	10/27/2009 15:07		10:09	Generator voltage.

Report dates of forced outage in columns headed Actual

Schedule vs. Actual

Kentucky Utilities Company
 Green River Unit 3 - Coal - 68 MW
 May 2009 through October 2009

MONTH	MAINTENANCE				HOURS OF DURATION			REASON FOR DEVIATION FROM SCHEDULED MAINTENANCE OR REASON FOR FORCED OUTAGE AS APPROPRIATE
	Scheduled		Actual		Scheduled	Forced	Actual	
	FROM	TO	FROM	TO				
May	No Outages > or = 6 Hours							
Jun	No Outages > or = 6 Hours							
Jul	No Outages > or = 6 Hours							
Aug	S	8/5/2009 9:50	8/6/2009 9:49	8/5/2009 9:50	8/6/2009 9:49	23:59	23:59	Second superheater leak.
	F			8/16/2009 22:23	8/18/2009 8:27	34:04		First superheater leak.
Sep	S	9/12/2009 0:00	—————>	9/10/2009 13:30	9/25/2009 22:36	456:00	369:06	Minor boiler overhaul.
Oct	S	—————>	10/4/2009 15:00			87:00		" " "

Report dates of forced outage in columns headed Actual

Kentucky Utilities Company
 Green River Unit 4 - Coal - 95 MW
 May 2009 through October 2009

Schedule vs. Actual

MONTH	MAINTENANCE				HOURS OF DURATION			REASON FOR DEVIATION FROM SCHEDULED MAINTENANCE OR REASON FOR FORCED OUTAGE AS APPROPRIATE
	Scheduled		Actual		Scheduled	Forced	Actual	
	FROM	TO	FROM	TO				
May	S	→	5/17/2009 15:00	→	5/14/2009 22:24	399:00	334:24	Major boiler overhaul.
Jun	S	6/12/2009 8:45	6/12/2009 15:13	6/12/2009 8:45	6/12/2009 15:13	6:28	6:28	Air leakage.
Jul	No Outages > or = 6 Hours							
Aug	F		8/2/2009 2:47	8/3/2009 6:51		28:04		Second superheater leak.
	F		8/29/2009 13:12	8/29/2009 23:10		9:58		Second superheater leak.
Sep	F		9/2/2009 21:53	9/3/2009 7:13		9:20		Main steam piping.
	F		9/20/2009 2:11	9/20/2009 12:02		9:51		Main steam valves.
Oct	S	10/2/2009 15:08	10/2/2009 21:30	10/2/2009 15:08	10/2/2009 21:30	6:22	6:22	Turbine drain and vent valves.
	F		10/2/2009 21:30	→		698:30		Generator rotor windings.

Report dates of forced outage in columns headed Actual

Kentucky Utilities Company
 Tyrone Unit 3 - Coal - 71 MW
 May 2009 through October 2009

Schedule vs. Actual

MONTH	MAINTENANCE				HOURS OF DURATION			REASON FOR DEVIATION FROM SCHEDULED MAINTENANCE OR REASON FOR FORCED OUTAGE AS APPROPRIATE
	Scheduled		Actual		Scheduled	Forced	Actual	
	FROM	TO	FROM	TO				

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

*TY3 on Inactive Reserve

Report dates of forced outage in columns headed Actual

Kentucky Utilities Company
 E. W. Brown 5 - Gas CT - 117 MW
 May 2009 through October 2009

Schedule vs. Actual

MONTH	MAINTENANCE				HOURS OF DURATION			REASON FOR DEVIATION FROM SCHEDULED MAINTENANCE OR REASON FOR FORCED OUTAGE AS APPROPRIATE
	Scheduled		Actual		Scheduled	Forced	Actual	
	FROM	TO	FROM	TO				
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	S	10/16/2009 12:33	10/21/2009 14:30	10/16/2009 12:33	10/21/2009 14:30	121:57	121:57	Highway project: pipeline tie-in. No gas available.

Report dates of forced outage in columns headed Actual

Kentucky Utilities Company
 E. W. Brown 6 - Gas CT - 154 MW
 May 2009 through October 2009

Schedule vs. Actual

MONTH	MAINTENANCE				HOURS OF DURATION			REASON FOR DEVIATION FROM SCHEDULED MAINTENANCE OR REASON FOR FORCED OUTAGE AS APPROPRIATE
	Scheduled		Actual		Scheduled	Forced	Actual	
	FROM	TO	FROM	TO				
May	S	→ 5/10/2009 15:00	→ 5/8/2009 9:00	231:00		177:00	Boroscope inspection.	
	F		5/14/2009 13:10 5/27/2009 6:30	305:20			Compressor damage.	
	S	5/28/2009 6:00 5/28/2009 14:00	5/28/2009 6:00 5/28/2009 14:00	8:00		8:00	Compressor washing.	
Jun	No Outages > or = 6 Hours							
Jul	No Outages > or = 6 Hours							
Aug	F		8/12/2009 18:00 8/15/2009 6:05	60:05			High engine exhaust temperature.	
	F		8/15/2009 6:52 →	401:08			High engine exhaust temperature.	
Sep	F		→ 9/14/2009 13:21	325:21			" " " "	
	F		9/14/2009 21:21 9/16/2009 13:31	40:10			High engine exhaust temperature.	
	F		9/16/2009 14:16 9/21/2009 14:37	120:21			High engine exhaust temperature.	
	F		9/21/2009 16:39 9/22/2009 12:15	19:36			High engine exhaust temperature.	
	F		9/22/2009 21:05 9/23/2009 11:25	14:20			High engine exhaust temperature.	
Oct	S	10/14/2009 5:30 10/16/2009 16:00	10/14/2009 5:30 10/16/2009 16:00	58:30		58:30	Boroscope inspection.	
	S	10/28/2009 9:00 →	10/28/2009 9:00 →	87:00		87:00	Gas turbine fuel system.	

Report dates of forced outage in columns headed Actual

Kentucky Utilities Company
 E. W. Brown 7 - Gas CT - 154 MW
 May 2009 through October 2009

Schedule vs. Actual

MONTH	MAINTENANCE				HOURS OF DURATION			REASON FOR DEVIATION FROM SCHEDULED MAINTENANCE OR REASON FOR FORCED OUTAGE AS APPROPRIATE
	Scheduled		Actual		Scheduled	Forced	Actual	
	FROM	TO	FROM	TO				
May	No Outages > or = 6 Hours							
Jun	S	6/30/2009 5:55	6/30/2009 12:42	6/30/2009 5:55	6/30/2009 12:42	6:47	6:47	Liquid fuel oil pump.
Jul	S	7/1/2009 6:30	7/1/2009 13:00	7/1/2009 6:30	7/1/2009 13:00	6:30	6:30	Liquid fuel oil pump.
Aug	S	8/22/2009 6:09	8/22/2009 15:00	8/22/2009 6:09	8/22/2009 15:00	8:51	8:51	Gas pre-mix fuel strainers.
	F			8/22/2009 15:00	—————>	225:00		Gas pre-mix fuel strainers.
Sep	F			—————>	9/4/2009 15:30	87:30		" " " "
	F			9/12/2009 11:00	9/17/2009 14:33	123:33		Gas line strainer.
Oct	No Outages > or = 6 Hours							

Report dates of forced outage in columns headed Actual

Kentucky Utilities Company
 E. W. Brown 8 - Gas CT - 106 MW
 May 2009 through October 2009

Schedule vs. Actual

MONTH	MAINTENANCE				HOURS OF DURATION			REASON FOR DEVIATION FROM SCHEDULED MAINTENANCE OR REASON FOR FORCED OUTAGE AS APPROPRIATE
	Scheduled		Actual		Scheduled	Forced	Actual	
	FROM	TO	FROM	TO				
May	S	5/29/2009 6:00	5/29/2009 12:09	5/29/2009 6:00	5/29/2009 12:09	6:09	6:09	Compressor washing.
Jun	F			6/3/2009 12:15	6/4/2009 7:08		18:53	Lube oil pumps.
	S	6/9/2009 5:30	6/10/2009 13:00	6/9/2009 5:30	6/10/2009 13:00	31:30	31:30	Starting system.
Jul	No Outages > or = 6 Hours							
Aug	No Outages > or = 6 Hours							
Sep	No Outages > or = 6 Hours							
Oct	S	10/19/2009 6:30	10/27/2009 16:54	10/19/2009 6:30	10/27/2009 16:54	202:24	202:24	Boroscope inspection.

Report dates of forced outage in columns headed Actual

Kentucky Utilities Company
 E. W. Brown 9 - Gas CT - 106 MW
 May 2009 through October 2009

Schedule vs. Actual

MONTH	MAINTENANCE				HOURS OF DURATION			REASON FOR DEVIATION FROM SCHEDULED MAINTENANCE OR REASON FOR FORCED OUTAGE AS APPROPRIATE
	Scheduled		Actual		Scheduled	Forced	Actual	
	FROM	TO	FROM	TO				
May	No Outages > or = 6 Hours							
Jun	S	6/9/2009 5:30	6/10/2009 13:00	6/9/2009 5:30	6/10/2009 13:00	31:30		31:30 Starting system.
	F			6/24/2009 17:30	6/25/2009 13:44	20:14		Fire detection and extinguishing system.
Jul	No Outages > or = 6 Hours							
Aug	F			8/25/2009 12:00	8/26/2009 10:25	22:25		Switchyard circuit breakers.
Sep	No Outages > or = 6 Hours							
Oct	No Outages > or = 6 Hours							

Report dates of forced outage in columns headed Actual

Schedule vs. Actual

Kentucky Utilities Company
 E. W. Brown 10 - Gas CT - 106 MW
 May 2009 through October 2009

MONTH	MAINTENANCE				HOURS OF DURATION			REASON FOR DEVIATION FROM SCHEDULED MAINTENANCE OR REASON FOR FORCED OUTAGE AS APPROPRIATE
	Scheduled		Actual		Scheduled	Forced	Actual	
	FROM	TO	FROM	TO				
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	S	10/8/2009 6:15	10/9/2009 13:30	10/8/2009 6:15	10/9/2009 13:30	31:15		31:15 Ignition system.

Report dates of forced outage in columns headed Actual

Schedule vs. Actual

Kentucky Utilities Company
 E. W. Brown 11 - Gas CT - 106 MW
 May 2009 through October 2009

MONTH	MAINTENANCE				HOURS OF DURATION			REASON FOR DEVIATION FROM SCHEDULED MAINTENANCE OR REASON FOR FORCED OUTAGE AS APPROPRIATE
	Scheduled		Actual		Scheduled	Forced	Actual	
	FROM	TO	FROM	TO				
May	No Outages > or = 6 Hours							
Jun	F		6/28/2009 20:10	6/29/2009 13:40	17:30			Switchyard circuit breakers.
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 1 - Gas CT - 12 MW
 May 2009 through October 2009

Schedule vs. Actual

MONTH	MAINTENANCE				HOURS OF DURATION			REASON FOR DEVIATION FROM SCHEDULED MAINTENANCE OR REASON FOR FORCED OUTAGE AS APPROPRIATE
	Scheduled		Actual		Scheduled	Forced	Actual	
	FROM	TO	FROM	TO				
May	No Outages > or = 6 Hours							
Jun	F		6/9/2009 8:45	6/15/2009 12:23	147:38			DC power cable.
Jul	S	7/20/2009 13:30	→	7/20/2009 13:30	→	274:30	274:30	Fuel solenoid.
Aug	S	→	→	→	→	744:00	744:00	" "
Sep	S	→	9/1/2009 12:05	→	9/1/2009 12:05	12:05	12:05	" "
Oct	F		10/28/2009 9:57	→		86:03		Gas turbine control system.

Report dates of forced outage in columns headed Actual

Kentucky Utilities Company
 Haefling 2 - Gas CT - 12 MW
 May 2009 through October 2009

Schedule vs. Actual

MONTH	MAINTENANCE				HOURS OF DURATION			REASON FOR DEVIATION FROM SCHEDULED MAINTENANCE OR REASON FOR FORCED OUTAGE AS APPROPRIATE
	Scheduled		Actual		Scheduled	Forced	Actual	
	FROM	TO	FROM	TO				
May	No Outages > or = 6 Hours							
Jun	F		6/9/2009 8:45	6/11/2009 12:59		52:14		DC power cable.
Jul	No Outages > or = 6 Hours							
Aug	No Outages > or = 6 Hours							
Sep	No Outages > or = 6 Hours							
Oct	F		10/22/2009 15:16	10/27/2009 12:11		116:55		Gas turbine control system.

Report dates of forced outage in columns headed Actual

Schedule vs. Actual

Kentucky Utilities Company
 Haefling 3 - Gas CT - 12 MW
 May 2009 through October 2009

MONTH	MAINTENANCE				HOURS OF DURATION			REASON FOR DEVIATION FROM SCHEDULED MAINTENANCE OR REASON FOR FORCED OUTAGE AS APPROPRIATE
	Scheduled		Actual		Scheduled	Forced	Actual	
	FROM	TO	FROM	TO				
May	No Outages > or = 6 Hours							
Jun	No Outages > or = 6 Hours							
Jul	No Outages > or = 6 Hours							
Aug	F		8/31/2009 13:57	→			10:03	Generator failed to start.
Sep	F		→	9/10/2009 13:30			229:30	" " "
	F		9/10/2009 13:30	→			490:30	Controls.
	F		→	10/7/2009 8:00			152:00	"
Oct	F							
	S	10/7/2009 8:00	10/21/2009 9:00	10/7/2009 8:00	10/21/2009 9:00	337:00	337:00	Fuel piping and valves.
	F			10/27/2009 13:15	10/28/2009 9:38		20:23	Controls.

Report dates of forced outage in columns headed Actual

KENTUCKY UTILITIES COMPANY

**Response to Information Requested in Appendix of
Commission's Order Dated January 27, 2010**

Case No. 2009-00507

Question No. 8

Witness: Mike Dotson

- Q-8. List all existing fuel contracts categorized as long-term (i.e., more than one 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 contract was executed.
 - d. Duration of contract.
 - e. Dates(s) of each contract revision, modification or amendment.
 - f. Annual tonnage requirements.
 - g. Actual annual tonnage received since the contract's inception.
 - h. Percentage of annual requirements received during the contract's term.
 - i. Base price in dollars per ton.
 - j. Total amount of price escalations to date in dollars per ton.
 - k. Current price paid for coal under the contract in dollars per ton (i + j).
- A-8. Please see the attached sheets.

- A. NAME/ADDRESS: Smoky Mountain Coal Corp. / KUF02860-
LGE02013
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, 2009
- 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 | 400,000 tons |
| 2003 | 450,000 tons |
| 2004 | 600,000 tons |
| 2005 | 700,000 tons |
| 2006 | 1,200,000 tons |
| 2007 | 850,000 tons |
| 2008 | 950,000 tons |
| 2009 | 400,000 tons |

G. ACTUAL TONNAGE: RECEIVED:	<u>KU</u>	<u>LGE</u>	
	2002	52,826 tons	332,114 tons
	2003	203,370 tons	275,536 tons
	2004	279,667 tons	314,929 tons
	2005	339,349 tons	357,881 tons
	2006	552,154 tons	600,627 tons
	2007	380,192 tons	517,857 tons
	2008	182,352 tons	167,819 tons
	2009	0 tons	0 tons
	(through 10/31/09)		

H. PERCENT OF ANNUAL REQUIREMENTS:	2002	96%
	2003	106%
	2004	99%
	2005	100%
	2006	96%
	2007	106 %
	2008	37%
	2009	0% (through 10/31/09)

I. BASE PRICE: (FOB Barge/ Sebree Dock)	2002	\$25.85 per ton – Quality A
	2003	\$25.85 per ton – Quality A
	2004	\$26.75 per ton – Quality A
	2004	\$22.85 per ton – Quality C
	2005	\$23.74 per ton – Quality C
	2006	\$28.25 per ton – 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: \$31.00 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
LOCATION:	Perry County, KY
C. CONTRACT EXECUTED DATE:	December 12, 2005
D. CONTRACT DURATION:	January 1, 2006 – October 31, 2009
E. CONTRACT AMENDMENTS:	Amendment No. 1 effective September 1, 2006. Amending payment procedures. Amendment No. 2 effective March 1, 2007. Amending payment calculation. Amendment No. 3 dated 5/1/08. Adding EW Brown as destination. Amendment No. 4 dated 3/19/09. Extend term to 10/31/09. Add new delivery point.
F. ANNUAL TONNAGE REQUIREMENTS:	2006 120,000 tons 2007 360,000 tons 2008 360,000 tons
G. ACTUAL TONNAGE: RECEIVED:	2006 109,140 tons 2007 317,036 tons 2008 278,251 tons 2009 113,172 tons (through 10/31/09)
H. PERCENT OF ANNUAL REQUIREMENTS:	2006 91% 2007 88% 2008 77 % 2009 Carry-over (through 10/31/09)
I. BASE PRICE: (FOB Railcar/Coal)	2006 \$63.00 per ton 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:	\$0.00	
K. CURRENT CONTRACT PRICE:	\$63.00 per ton	

A. NAME/ADDRESS: Consol Energy / KUF05039-LGE05012
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 - 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.
Amendment No. 3 dated January 2009, extend term to 6/30/09.

F. ANNUAL TONNAGE REQUIREMENTS

2005	1,683,000 tons (Includes Force Majeure tons of 67,000)
2006	1,750,000 tons
2007	2,000,000 tons
2008	1,511,747 tons
2009	488,253 tons

G. ACTUAL TONNAGE RECEIVED:

	<u>KU</u>	<u>LGE</u>
2005	682,774 tons	893,663 tons
2006	812,338 tons	981,344 tons
2007	797,522 tons	852,199 tons
2008	1,461,137 tons	465,046 tons
2009	298,079 tons	187,776 tons
	(through 10/31/09)	

H. PERCENT OF ANNUAL REQUIREMENTS:

2005	94%
2006	102%
2007	82%
2008	96%
2009	100% (through 10/31/09)

I. BASE PRICE: (FOB Barge)	2005	\$29.75 per ton - Quality A
	2006	\$30.35 per ton - Quality A
	2007	\$32.22 per ton - Quality A
	2008	\$32.47 per ton - Quality A
	2009	\$32.47 per ton - Quality A
J. ESCALATIONS TO DATE:		None
K. CURRENT CONTRACT PRICE:		\$32.470 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, 2011

E. CONTRACT AMENDMENTS: Amendment No. 1 effective September 1, 2006. Amending payment procedures.
Amendment No. 2 effective March 1, 2007. Amending payment calculation.
Amendment No.3 effective February 7, 2008. Extending term, tonnage.
Amendment No. 4 effective March 1, 2009. Adding new delivery source and quality.

F. ANNUAL TONNAGE REQUIREMENTS:

2006	120,000 tons
2007	120,000 tons
2008	120,000 tons
2009	120,000 tons
2010	120,000 tons
2011	120,000 tons

G. ACTUAL TONNAGE RECEIVED:

2006	120,077 tons
2007	152,825 tons
2008	138,477 tons
2009	88,571 tons (through 10/31/09)

H. PERCENT OF ANNUAL REQUIREMENTS:

2006	100%
2007	127%
2008	115%
2009	74% (through 10/31/09)

I. BASE PRICE: (FOB Plant)	2006	\$66.25 per ton delivered price
	2007	\$66.25 per ton delivered price
	2008	\$66.25 per ton delivered price
	2009	\$77.50 per ton delivered price
	2009	\$65.25 per ton fob railcar
	2010	\$77.50 per ton delivered price
	2011	\$77.50 per ton delivered price

J. ESCALATIONS TO DATE: None

K. CURRENT CONTRACT PRICE: \$65.25 per ton fob railcar

- A. NAME/ADDRESS: Trinity Coal Marketing (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 – December 31, 2011
- E. CONTRACT AMENDMENTS: Amendment No. 1 effective September 1, 2006. Amending payment procedures.
Amendment No. 2 effective March 1, 2007. Amending payment calculation.
Amendment No.3 effective January 1, 2008. Amending tonnage and price for year 2008.
Amendment No. 4 effective May 1, 2008. Assignment of contract to Trinity Coal Marketing, LLC. Extension of term to December 31, 2011. Additional tonnage of 1,000,000 per year 2009-2011.
Amendment No. 5 effective July 1, 2008. Change quarterly fuel adjustment to monthly adjustment on truck delivered tonnage.
- F. ANNUAL TONNAGE REQUIREMENTS:
- | | |
|------|----------------|
| 2006 | 270,000 tons |
| 2007 | 500,000 tons |
| 2008 | 800,000 tons |
| 2009 | 1,130,000 tons |
| 2010 | 1,000,000 tons |
| 2011 | 1,000,000 tons |
- G. ACTUAL TONNAGE RECEIVED:
- | | |
|------|---------------------------------|
| 2006 | 259,230 tons |
| 2007 | 445,965 tons |
| 2008 | 792,595 tons |
| 2009 | 857,804 tons (through 10/31/09) |

H. PERCENT OF ANNUAL
REQUIREMENTS:

2006	96%
2007	89%
2008	99%
2009	76% (through 10/31/09)

I. BASE PRICE: (FOB Railcar)

2006	\$47.35 per ton
2007	\$47.35 per ton
2008	\$44.59 per ton
2009	\$63.85 per ton
2010	\$63.00 per ton
2011	\$61.00 per ton

J. ESCALATIONS TO DATE:

None

K. CURRENT CONTRACT PRICE:

\$62.94 per ton (blended price 2008/2009
tons)

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, 2010

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.
Amendment No. 5 effective January 1, 2008. Amending term, tonnage and price.
Amendment No. 6 effective January 1, 2009. Amending term, tonnage and price.

F. ANNUAL TONNAGE REQUIREMENTS:

2004	13,500 tons
2005	216,000 tons
2006	260,000 tons
2007	350,000 tons
2008	400,000 tons
2009	200,000 tons

G. ACTUAL TONNAGE RECEIVED:

2004	14,701 tons
2005	172,541 tons
2006	298,967 tons
2007	350,485 tons
2008	350,662 tons
2009	221,468 (through 10/31/09)

H. PERCENT OF ANNUAL
REQUIREMENTS:

2004	109%
2005	80%
2006	115%
2007	100%
2008	88%
2009	111% (through 10/31/09)

I. BASE PRICE: (FOB Railcar)

2004	\$49.75 per ton
2005	\$49.75 per ton
2006	\$48.00 per ton
2007	\$48.00 per ton
2008	\$43.25 per ton
2009	\$72.00 per ton

J. ESCALATIONS TO DATE:

None

K. CURRENT CONTRACT PRICE:

\$72.00 per ton

A. NAME/ADDRESS: Marietta Coal Company / KUF05033-
LGE05010
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 – May 31, 2010

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.
Amendment No. 4 effective January 1, 2009
amending term through May 31, 2010 to
allow for make-up deliveries.

F. ANNUAL TONNAGE REQUIREMENTS:

2004	30,000 tons
2005	200,000 tons
2006	200,000 tons
2007	300,000 tons
2008	300,000 tons

G. ACTUAL TONNAGE RECEIVED:

	<u>KU</u>	<u>LGE</u>	
RECEIVED:	2004	0 tons	13,235 tons
RECEIVED:	2005	0 tons	104,512 tons
	2006	4,977 tons	198,757 tons
	2007	5,021 tons	146,281 tons
	2008	0 tons	21,436 tons
	2009	24,184 tons	29,127 tons
	(through 10/31/09)		

H. PERCENT OF ANNUAL REQUIREMENTS:	2004	44%
	2005	52%
	2006	102%
	2007	50%
	2008	7%
	2009	Carry-over (through 10/31/09)
I. BASE PRICE (FOB Barge):	2004	\$26.75 per ton
	2005	\$26.75 per ton
	2006	\$27.25 per ton
	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-
LGE06012-J07005-J07006
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, 2011

E. CONTRACT AMENDMENTS: Amendment No. 1 effective September 1, 2006. Amending payment procedures.
Amendment No. 2 effective November 20, 2006 adding coal synfuel.
Amendment No. 3 effective March 1, 2007. Amending payment calculation.
Amendment No.4 effective July 1, 2007 adding tonnage to year 2007.
Amendment No.5 effective January 1, 2008 amending term, tonnage and price.
Amendment No. 6 effective January 1, 2009 amending term, tonnage and price

F. ANNUAL TONNAGE REQUIREMENTS:

2006	937,500 tons
2007	2,000,000 tons
2008	1,400,000 tons
2009	1,000,000 tons
2010	1,000,000 tons
2011	1,000,000 tons

G. ACTUAL TONNAGE RECEIVED:

	<u>KU</u>	<u>LGE</u>
2006	0 tons	957,654 tons
2007	225,229 tons	1,770,880 tons
2008	181,615 tons	1,142,551 tons
2009	3,106 tons	829,204 tons
	(through 10/31/09)	

H. PERCENT OF ANNUAL REQUIREMENTS:	2006	102%
	2007	100%
	2008	96%
	2009	83% (through 10/31/09)
I. BASE PRICE (FOB Barge):	2006	\$29.95 per ton – Quality A Barge \$30.36 per ton – Quality B Barge
	2007	\$30.60 per ton – Quality A Barge \$31.02 per ton – Quality B Barge
	2008	\$31.60 per ton – Barge
	2009	\$30.41 – Rail (first 750,000 tons) \$36.25 – Rail (next 250,000 tons)
	2010	\$37.25 per ton
	2011	\$39.25 per ton
J. ESCALATIONS TO DATE:		None
K. CURRENT CONTRACT PRICE:		\$30.41 per ton

A. NAME/ADDRESS: Oxford Mining Company – Kentucky, LLC
(contract acquired on 9/30/09 from
Charolais Coal Sales, LLC) / J07003
544 Chestnut Street
Coshocton, Ohio 43812

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, 2011

E. CONTRACT AMENDMENTS: Contract assigned from Phoenix Coal Corp.
& Charolais Coal Sales, LLC effective
October 1, 2009. Amendment No. 1, dated
effective October 1, 2009; term extended to
December 31, 2011. Yearly base quantity
amended.

F. ANNUAL TONNAGE REQUIREMENTS:

2007	591,172 tons
2008	464,372 tons
2009	756,835 tons
2010	882,748 tons
2011	804,873 tons

G. ACTUAL TONNAGE RECEIVED:

	<u>KU</u>	<u>LGE</u>
2007	361,950 tons	229,223 tons
2008	384,389 tons	79,983 tons
2009	455,590 tons (through 10/31/09)	142,876 tons

H. PERCENT OF ANNUAL REQUIREMENTS:

2007	100%
2008	100%
2009	79% (through 10/31/09)

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: \$34.10 per ton

A. NAME/ADDRESS:	Oxford Mining Company – Kentucky, LLC (contract acquired on 9/30/09 from Charolais Coal Sales, LLC) / K07031 544 Chestnut Street Coshocton, Ohio 43812										
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, 2010										
E. CONTRACT AMENDMENTS:	Contract assigned from American Mining & Manufacturing, LLC. Amendment No. 1 effective 1/1/09, extending term, adding delivery points, changing quality and price. Contract assigned from Phoenix Coal Corp. & Charolais Coal Sales, LLC effective October 1, 2009.										
F. ANNUAL TONNAGE REQUIREMENTS:	<table border="0"> <tr><td>2007</td><td>94,273 tons</td></tr> <tr><td>2008</td><td>74,708 tons</td></tr> <tr><td>2009</td><td>290,509 tons</td></tr> <tr><td>2010</td><td>290,509 tons</td></tr> </table>	2007	94,273 tons	2008	74,708 tons	2009	290,509 tons	2010	290,509 tons		
2007	94,273 tons										
2008	74,708 tons										
2009	290,509 tons										
2010	290,509 tons										
G. ACTUAL TONNAGE RECEIVED:	<table border="0"> <tr><td>2007</td><td>94,274 tons</td></tr> <tr><td>2008</td><td>74,708 tons</td></tr> <tr><td>2009</td><td>223,320 tons (through 10/31/09)</td></tr> </table>	2007	94,274 tons	2008	74,708 tons	2009	223,320 tons (through 10/31/09)				
2007	94,274 tons										
2008	74,708 tons										
2009	223,320 tons (through 10/31/09)										
H. PERCENT OF ANNUAL REQUIREMENTS:	<table border="0"> <tr><td>2007</td><td>100%</td></tr> <tr><td>2008</td><td>100%</td></tr> <tr><td>2009</td><td>77% (through 10/31/09)</td></tr> </table>	2007	100%	2008	100%	2009	77% (through 10/31/09)				
2007	100%										
2008	100%										
2009	77% (through 10/31/09)										
I. BASE PRICE (FOB Plant):	<table border="0"> <tr><td>2007/2008</td><td>\$39.79 per ton</td></tr> <tr><td>2008/2009</td><td>\$40.46 per ton</td></tr> <tr><td>2009</td><td>\$40.67 per ton</td></tr> <tr><td>2009/2010</td><td>\$41.54 per ton</td></tr> <tr><td>2010</td><td>\$40.42 per ton</td></tr> </table>	2007/2008	\$39.79 per ton	2008/2009	\$40.46 per ton	2009	\$40.67 per ton	2009/2010	\$41.54 per ton	2010	\$40.42 per ton
2007/2008	\$39.79 per ton										
2008/2009	\$40.46 per ton										
2009	\$40.67 per ton										
2009/2010	\$41.54 per ton										
2010	\$40.42 per ton										

(FOB Barge):	2009	\$39.24 per ton
	2009/2010	\$39.44 per ton
	2010	\$40.29 per ton
	2010	\$41.89 per ton

J. ESCALATIONS TO DATE: None

K. CURRENT CONTRACT PRICE:
 FOB Barge \$39.44 per ton

A. NAME/ADDRESS: Alpha Coal Sales Co., LLC. / K07002
One Energy Place
Latrobe, PA 15650

B. PRODUCTION FACILITY:
OPERATOR: Enterprise Mining Co., LLC
MINES: Various mines operated by Enterprise
Mining Co, LLC.
LOCATION: Perry & Knott Counties, KY

C. CONTRACT EXECUTED DATE: September 21, 2006

D. CONTRACT DURATION: January 1, 2007 – December 31, 2011

E. CONTRACT AMENDMENTS: Amendment No. 1 effective March 1, 2007.
Amending payment calculation.
Amendment No. 2 effective September 1,
2007. Consent for substitution.
Amendment No. 3 effective April 1, 2008
amending term, tonnage, quality and price.

F. ANNUAL TONNAGE
REQUIREMENTS:

2007	324,000 tons
2008	324,000 tons
2009	500,000 tons
2010	250,000 tons

G. ACTUAL TONNAGE:
RECEIVED:

2007	285,132 tons
2008	366,381 tons
2009	349,995 tons (through 10/31/09)

H. PERCENT OF ANNUAL
REQUIREMENTS:

2007	88%
2008	113%
2009	70% (through 10/31/09)

I. BASE PRICE: (FOB Railcar)

2007	\$43.50 per ton
2008	\$43.50 per ton (through 4/30/08)
2008	\$60.58 per ton
2009	\$60.58 per ton
2010	\$72.00 per ton

J. ESCALATIONS TO DATE: None

K. CURRENT CONTRACT PRICE: \$60.58 per ton

- A. NAME/ADDRESS: Nally and Hamilton Enterprises, Inc./
K08018
109 South 4th Street
Bardstown, Kentucky 40004
- B. PRODUCTION FACILITY:
OPERATOR: Nally & Hamilton Enterprises, Inc.
MINES: Balkan, Wolfpen Branch, Big Laurel
LOCATION: Knox, Bell, Harlan, Letcher and Perry
Counties, KY
- C. CONTRACT EXECUTED DATE: May 1, 2008
- D. CONTRACT DURATION: May 1, 2008 - December 31, 2011
- E. CONTRACT AMENDMENTS: None
- F. ANNUAL TONNAGE REQUIREMENTS:
- | <u>EW Brown</u> | |
|-----------------|--------------|
| 2008 | 90,000 tons |
| 2009 | 180,000 tons |
| 2010 | 180,000 tons |
-
- | <u>Ghent</u> | |
|--------------|--------------|
| 2008 | 60,000 tons |
| 2009 | 120,000 tons |
| 2010 | 120,000 tons |
- G. ACTUAL TONNAGE RECEIVED:
- | <u>EW Brown</u> | |
|-----------------|---------------------------------|
| 2008 | 100,368 tons |
| 2009 | 166,265 tons (through 10/31/09) |
-
- | <u>Ghent</u> | |
|--------------|--------------------------------|
| 2008 | 47,666 tons |
| 2009 | 90,706 tons (through 10/31/09) |
- H. PERCENT OF ANNUAL REQUIREMENTS:
- | <u>EW Brown</u> | |
|-----------------|------------------------|
| 2008 | 112% |
| 2009 | 92% (through 10/31/09) |

Ghent

2008 79%

2009 76% (through 10/31/09)

I. BASE PRICE: (FOB Railcar)

EW Brown

2008 \$66.00 per ton

2009 \$67.00 per ton

2010 \$69.00 per ton

BASE PRICE: (FOB Railcar)

Ghent

2008 \$52.50 per ton

2009 \$48.50 per ton

2010 \$49.50 per ton

J. ESCALATIONS TO DATE:

EW Brown

\$0.00 per ton

Ghent

\$0.00 per ton

K. CURRENT CONTRACT PRICE:

EW Brown

\$67.00 per ton

Ghent

\$48.50 per ton

A. NAME/ADDRESS:	The American Coal Company / J08016 101 Prosperous Place, Suite 125 Lexington, Kentucky 40509		
B. PRODUCTION FACILITY:			
OPERATOR:	The American Coal Company		
MINES:	Galatia Mine		
LOCATION:	Saline County, Illinois		
C. CONTRACT EXECUTED DATE:	April 1, 2008		
D. CONTRACT DURATION:	July 1, 2008 - December 31, 2010		
E. CONTRACT AMENDMENTS:	None		
F. ANNUAL TONNAGE REQUIREMENTS:	2008	280,000 tons	
	2009	600,000 tons	
	2010	600,000 tons	
G. ACTUAL TONNAGE RECEIVED:		<u>KU</u>	<u>LGE</u>
	2008	203,131 tons	35,918 tons
	2009	462,471 tons (through 10/31/09)	0 tons
H. PERCENT OF ANNUAL REQUIREMENTS:	2008	85%	
	2009	77% (through 10/31/09)	
I. BASE PRICE: (FOB Plant)		<u>Green River</u>	
	2008	\$66.00 per ton	
	2009	\$66.00 per ton	
	2010	\$66.00 per ton	
BASE PRICE: (FOB Barge)	2008	\$54.00 per ton	
	2009	\$54.00 per ton	
	2010	\$54.00 per ton	
J. ESCALATIONS TO DATE:		<u>FOB Plant</u>	
		\$1.41 per ton	
		<u>FOB Barge</u>	
		\$1.25 per ton	

K. CURRENT CONTRACT PRICE:

FOB Plant
\$67.41 per ton

FOB Barge
\$55.25 per ton

A. NAME/ADDRESS:	Armstrong Coal Company, Inc / J07032 407 Brown Road Madisonville, Kentucky 42431	
B. PRODUCTION FACILITY: OPERATOR MINES LOCATION	Armstrong Coal Company, Inc Various Muhlenberg County and Ohio County, Kentucky	
C. CONTRACT EXECUTED DATE:	December 20, 2007	
D. CONTRACT DURATION:	January 1, 2008 - December 31, 2015	
E. CONTRACT AMENDMENTS:	Amendment No. 1, effective July 1, 2008 amending base quantity and modifying diesel fuel adjustment to include explosives.	
F. ANNUAL TONNAGE REQUIREMENTS:	2008 600,000 tons 2009 2,300,000 tons 2010 3,800,000 tons 2011 and 2012 – 4,200,000 tons per year 2013 through 2015 4,000,000 tons per year	
G. ACTUAL TONNAGE: RECEIVED:	<u>LG&E</u>	<u>KU</u>
	2008 511,414 tons	82,623 tons
	2009 1,261,370 tons	439,063 tons
	(through 10/31/09)	
H. PERCENT OF ANNUAL REQUIREMENTS:	2008 99% 2009 77% (through 10/31/09)	
I. BASE PRICE (FOB Barge)	2008 Quality 1 - \$27.31 per ton Quality 2 - \$28.30 per ton 2009 Quality 1 - \$27.60 per ton Quality 2 - \$28.76 per ton 2010 First 200,000 tons Quality 1 - \$28.18 per ton Quality 2 –\$28.76 per ton	

Remaining 3,600,000 tons
Quality 1 - \$28.21 per ton
Quality 2 - \$29.63 per ton

2011 First 400,000 tons
Quality 1 - \$28.21 per ton
Quality 2 - \$29.63 per ton

Remaining 3,800,000 tons
Quality 1 - \$28.36 per ton
Quality 2 - \$29.78 per ton

2012 First 200,000 tons
Quality 1 - \$28.36 per ton
Quality 2 - \$29.78 per ton

Remaining 4,000,000 tons
Quality 1 - \$28.21 per ton
Quality 2 - \$29.93 per ton

2013 Quality 1 - \$28.66 per ton
Quality 2 - \$30.08 per ton

2014 Quality 1 - \$28.81 per ton
Quality 2 - \$30.23 per ton

2015 Quality 1 - \$28.96 per ton
Quality 2 - \$30.38 per ton

J. ESCALATIONS TO DATE: None

K. CURRENT CONTRACT PRICE: Quality 1 - \$27.60 per ton
Quality 2 - \$28.76 per ton

A. NAME/ADDRESS:	Western Kentucky Mineral, Inc. (contract assigned on November 12, 2008 from Emerald International) J07029 P. O. Box 155 Philpot, KY 42366	
B. PRODUCTION FACILITY: OPERATOR MINE LOCATION	Western Kentucky Minerals Joe's Run Mine Davies County, Kentucky	
C. CONTRACT EXECUTED DATE:	August 3, 2007	
D. CONTRACT DURATION:	July 15, 2007 – December 31, 2009	
E. CONTRACT AMENDMENTS:	Amendment No. 1 effective September 1, 2007 amending quantity Amendment No. 2 effective March 1, 2008 amending quantity, weights and sampling, term and price. Amendment No. 3 effective May 1, 2008 amending quality and price	
F. ANNUAL TONNAGE REQUIREMENTS:	2007	81,000 tons
	2008	300,000 tons
	2009	300,000 tons
G. ACTUAL TONNAGE RECEIVED:		
		<u>KU</u> <u>LG&E</u>
	2007	7,571 tons 66,330 tons
	2008	149,727 tons 41,498 tons
	2009	104,285 tons 119,274 tons (through 10/31/09)
H. PERCENT OF ANNUAL REQUIREMENTS:	2007	91%
	2008	64%
	2009	75% (through 10/31/09)
I. BASE PRICE (FOB Barge):	2007	\$30.45 per ton (first 60,000 tons)
	2007	\$31.00 per ton (remaining tons)
	2008	\$31.00 per ton (first 20,000 tons)
	2008	\$37.25 per ton (remaining tons)
	2009	\$38.00 per ton
J. ESCALATIONS TO DATE:	None	

K. CURRENT CONTRACT PRICE: \$37.25 per ton

A. NAME/ADDRESS:	Patriot Coal Sales, LLC / J07037 12312 Olive Boulevard, Suite 400 St. Louis, Missouri 63141		
B. PRODUCTION FACILITY: OPERATOR MINE LOCATION	Patriot Coal and Ohio County Coal Patriot and Freedom Mines Henderson County, Kentucky		
C. CONTRACT EXECUTED DATE:	January 15, 2008		
D. CONTRACT DURATION:	January 1, 2008 - December 31, 2009		
E. CONTRACT AMENDMENTS:	None		
F. ANNUAL TONNAGE REQUIREMENTS:	2008	1,250,000 tons	
	2009	1,250,000 tons	
G. ACTUAL TONNAGE RECEIVED:		<u>LG&E</u>	<u>KU</u>
	2008	699,815 tons	470,649 tons
	2009	406,588 tons (through 10/31/09)	564,616 tons
H. PERCENT OF ANNUAL REQUIREMENTS:	2008	94%	
	2009	78% (through 10/31/09)	
I. BASE PRICE (FOB Barge):	2008	\$30.00 per ton	
	2009	\$31.00 per ton	
J. ESCALATIONS TO DATE:	None		
K. CURRENT CONTRACT PRICE:	\$31.00 per ton		

A. NAME/ADDRESS:	Rhino Energy, LLC / J08028 3120 Wall Street, Suite 310 Lexington, Kentucky 40513													
B. PRODUCTION FACILITY: OPERATOR MINE LOCATION	Sands Hill Coal Company Sands Hill Mine Jackson and Vinton Counties, Ohio													
C. CONTRACT EXECUTED DATE:	July 13, 2008													
D. CONTRACT DURATION:	July 1, 2008 – December 31, 2012													
E. CONTRACT AMENDMENTS:	None													
F. ANNUAL TONNAGE REQUIREMENTS:	<table border="0"> <tr><td>2008</td><td>90,000 tons</td></tr> <tr><td>2009</td><td>360,000 tons</td></tr> <tr><td>2010</td><td>360,000 tons</td></tr> <tr><td>2011</td><td>360,000 tons</td></tr> <tr><td>2012</td><td>360,000 tons</td></tr> </table>		2008	90,000 tons	2009	360,000 tons	2010	360,000 tons	2011	360,000 tons	2012	360,000 tons		
2008	90,000 tons													
2009	360,000 tons													
2010	360,000 tons													
2011	360,000 tons													
2012	360,000 tons													
G. ACTUAL TONNAGE RECEIVED:	<table border="0"> <tr><td></td><td style="text-align: center;"><u>KU</u></td><td style="text-align: center;"><u>LG&E</u></td></tr> <tr><td>2008</td><td>53,552 tons</td><td>31,033 tons</td></tr> <tr><td>2009</td><td>165,039 tons</td><td>138,339 tons</td></tr> <tr><td></td><td colspan="2" style="text-align: center;">(through 10/31/09)</td></tr> </table>		<u>KU</u>	<u>LG&E</u>	2008	53,552 tons	31,033 tons	2009	165,039 tons	138,339 tons		(through 10/31/09)		
	<u>KU</u>	<u>LG&E</u>												
2008	53,552 tons	31,033 tons												
2009	165,039 tons	138,339 tons												
	(through 10/31/09)													
H. PERCENT OF ANNUAL REQUIREMENTS:	<table border="0"> <tr><td>2008</td><td>94%</td></tr> <tr><td>2009</td><td>84% (through 10/31/09)</td></tr> </table>		2008	94%	2009	84% (through 10/31/09)								
2008	94%													
2009	84% (through 10/31/09)													
I. BASE PRICE (FOB Barge):	<table border="0"> <tr><td>2008</td><td>\$49.25 per ton</td></tr> <tr><td>2009</td><td>\$49.25 per ton</td></tr> <tr><td>2010</td><td>\$50.25 per ton</td></tr> <tr><td>2011</td><td>\$51.85 per ton</td></tr> <tr><td>2012</td><td>\$53.40 per ton</td></tr> </table>		2008	\$49.25 per ton	2009	\$49.25 per ton	2010	\$50.25 per ton	2011	\$51.85 per ton	2012	\$53.40 per ton		
2008	\$49.25 per ton													
2009	\$49.25 per ton													
2010	\$50.25 per ton													
2011	\$51.85 per ton													
2012	\$53.40 per ton													
J. ESCALATIONS TO DATE:	-\$4.67 per ton													
K. CURRENT CONTRACT PRICE:	\$44.58 per ton													

A. NAME/ADDRESS:	Patriot Coal Sales, LLC / J09001 12312 Olive Boulevard, Suite 400 St. Louis, Missouri 63141	
B. PRODUCTION FACILITY: OPERATOR MINE LOCATION	Patriot Coal and Ohio County Coal Patriot and Freedom Mines Henderson County, Kentucky	
C. CONTRACT EXECUTED DATE:	February 24, 2009	
D. CONTRACT DURATION:	January 1, 2009 - December 31, 2010	
E. CONTRACT AMENDMENTS:	None	
F. ANNUAL TONNAGE REQUIREMENTS:	2009	200,000 tons
	2010	1,000,000 tons
G. ACTUAL TONNAGE RECEIVED:		
		<u>KU</u> <u>LG&E</u>
	2009	119,694 tons 80,876 tons (through 10/31/09)
H. PERCENT OF ANNUAL REQUIREMENTS:	2009	100% (through 10/31/09)
I. BASE PRICE (FOB Barge):	2009	\$38.00 per ton Quality 1 \$49.00 per ton Quality 2
	2010	\$39.00 per ton Quality 1 \$51.00 per ton Quality 2
J. ESCALATIONS TO DATE:		\$0.21 per ton Quality 1 \$0.28 per ton Quality 2
K. CURRENT CONTRACT PRICE:		\$38.21 per ton Quality 1 \$49.28 per ton Quality 2

A. NAME/ADDRESS:	Hopkins County Coal LLC / K08027 1717 South Boulder Av., Suite 400 Tulsa, Oklahoma 74119-4886
B. PRODUCTION FACILITY: OPERATOR MINE LOCATION	Hopkins County Coal, LLC Hopkins County Coal, Webster County Coal, Gibson County Coal Hopkins, Webster Counties, Kentucky Gibson County, Indiana
C. CONTRACT EXECUTED DATE:	November 3, 2008
D. CONTRACT DURATION:	November 3, 2008 – December 31, 2010
E. CONTRACT AMENDMENTS:	None
F. ANNUAL TONNAGE REQUIREMENTS:	2009 200,000 tons 2010 200,000 tons
G. ACTUAL TONNAGE RECEIVED:	2009 184,349 tons (through 10/31/09)
H. PERCENT OF ANNUAL REQUIREMENTS:	2009 92% (through 10/31/09)
I. BASE PRICE (FOB Plant):	2009 \$50.59 per ton 2010 \$53.12 per ton
J. ESCALATIONS TO DATE:	\$0.00 per ton
K. CURRENT CONTRACT PRICE:	\$50.59 per ton

KENTUCKY UTILITIES COMPANY

**Response to Information Requested in Appendix of
Commission's Order Dated January 27, 2010**

Case No. 2009-00507

Question No. 9

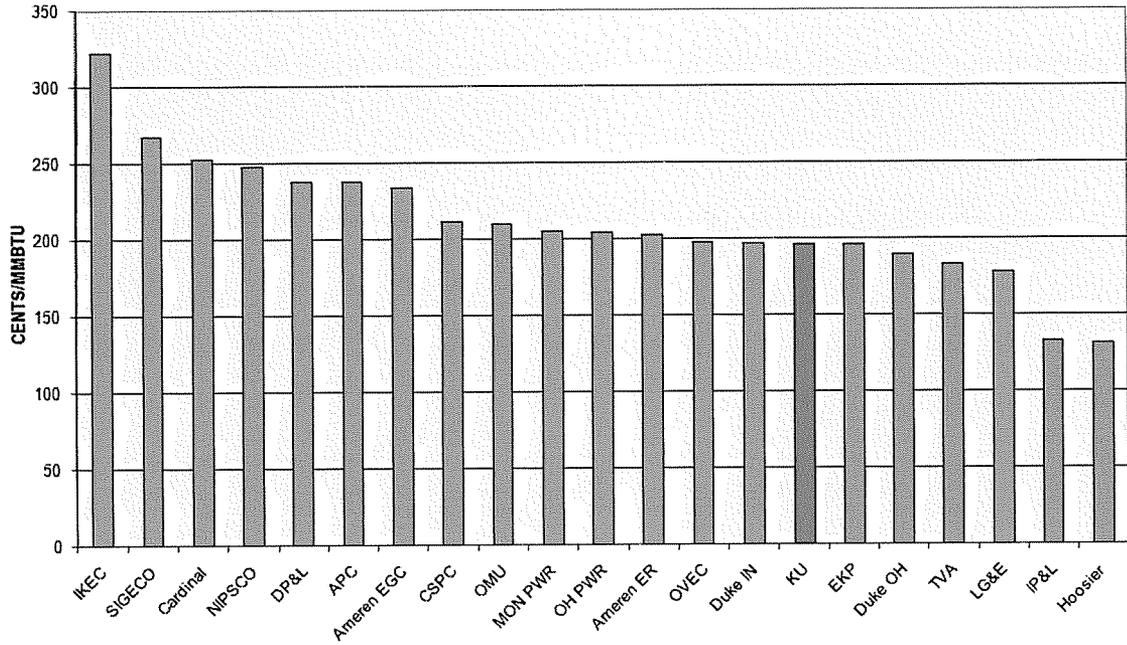
Witness: Mike Dotson

- Q-9. a. State whether KU regularly compares 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; and
 - (2) The utilities that are included in this comparison and their locations.
- A-9. a. Yes.
- b. KU compares pricing of its coal purchases with neighboring utilities from FERC Form No. 423 data that is compiled by Energy Velocity database. The utilities included in the comparison are shown on the list found on page 1 of the Attachment to this response. The chart found on page 2 of the Attachment shows the comparison for coal greater than 5.0 lbs. SO₂ content, which are in line with KU's scrubbed units. The chart found on page 3 of the Attachment shows the comparison for coal less than 5.0 lbs. SO₂, which would be in line with KU's non-scrubbed units, Ghent Unit 2 compliance, Tyrone Station for NYMEX coal, Brown Station for low sulfur coal, and Green River Station for mid-sulfur coal.

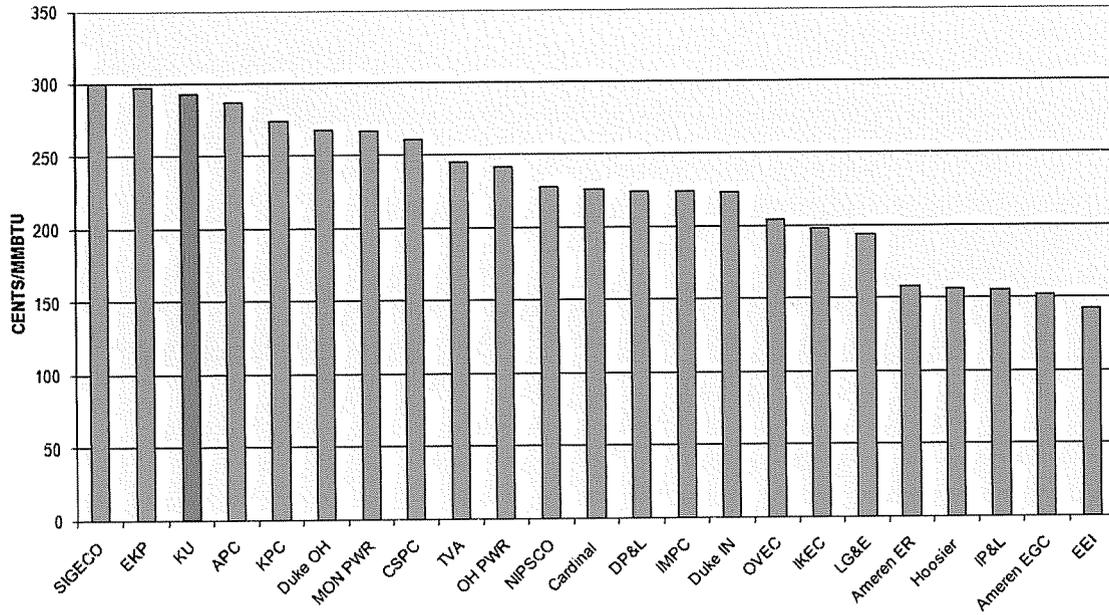
Utilities in Comparison List

UTILITY	ABBREVIATED	PLANT LOCATIONS
Ameren Energy Resources	Ameren ER	Illinois
AmerenEnergy Generating Co.	Ameren EGC	Illinois
Appalachian Power Co.	APC	Virginia, West Virginia
Cardinal Operating Co.	Cardinal	Ohio
Duke Energy Ohio	Duke OH	Kentucky, Ohio
Columbus Southern Power Co.	CSPC	Ohio
Dayton Power & Light Co.	DP&L	Ohio
East Kentucky Power Coop. Inc.	EKP	Kentucky
Electric Energy, Inc.	EEI	Illinois
Hoosier Energy Rural Electric Coop. Inc.	Hoosier	Indiana
Indiana Michigan Power Co.	IMPC	Indiana
Indiana-Kentucky Electric Corp.	IKEC	Indiana
Indianapolis Power & Light Co.	IP&L	Indiana
Kentucky Power Co.	KPC	Kentucky
Kentucky Utilities Co.	KU	Kentucky
Louisville Gas & Electric Co.	LG&E	Kentucky
Monongahela Power Co.	MON PWR	West Virginia
Northern Indiana Public Service Co.	NIPSCO	Indiana
Ohio Power Co.	OH PWR	Ohio, West Virginia
Ohio Valley Electric Corp.	OVEC	Ohio
Owensboro Municipal Utilities	OMU	Kentucky
Duke Energy Indiana	Duke IN	Indiana
Southern Indiana Gas & Electric Co.	SIGECO	Indiana
Tennessee Valley Authority	TVA	Alabama, Kentucky, Tennessee

"SCRUBBED" PRICE COMPARISON
(Nov 08 - Oct 09)



"NON-SCRUBBED" PRICE COMPARISON COAL
(Nov 08 - Oct 09)



KENTUCKY UTILITIES COMPANY

**Response to Information Requested in Appendix of
Commission's Order Dated January 27, 2010**

Case No. 2009-00507

Question No. 10

Witness: Mike Dotson

Q-10. State the percentage of KU's coal, as of the date of this Order, that is delivered by:

- a. Rail;
- b. Truck; or
- c. Barge.

- A-10. a. Rail - 15%
- b. Truck - 5%
- c. Barge - 80%

KENTUCKY UTILITIES COMPANY

**Response to Information Requested in Appendix of
Commission's Order Dated January 27, 2010**

Case No. 2009-00507

Question No. 11

Witness: Mike Dotson

- Q-11. a. State KU's coal inventory level in tons and in number of days' supply as of October 31, 2009. Provide this information by generating station and in the aggregate.
- b. Describe the criteria used to determine number of days' supply.
- c. Compare KU's coal inventory as of October 31, 2009, 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) State whether KU expects 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-11. a. As of October 31, 2009;

For previous FAC proceedings, KU calculated the days in inventory using 12 months of historic burn data. Consistent with this method, the coal inventory and days' supply is as follows:

EW Brown	323,635 Tons; 99 Days
Ghent	852,053 Tons; 57 Days
Green River	104,484 Tons; 126 Days
Tyrone	16,881 Tons; 183 Days
Total	1,297,053 Tons; 68 Days

However, as explained in the response to part (b) below, anomalies are often created by using historic or forward burn calculations. Therefore, KU

developed an alternate method for calculating the days in inventory that is more representative of the actual days of operation for each station that can be achieved with the inventory on site. The coal inventory on site and the day's supply using this methodology is as follows:

EW Brown	323,635 Tons; 51 Days	Target 27 – 40 Days
Ghent	852,053 Tons; 40 Days	Target 29 – 45 Days
Green River	104,484 Tons; 50 Days	Target 38 – 66 Days
Tyrone	16,881 Tons; 20 Days	Target 26 – 55 Days
Total	1,297,053 Tons; 43 Days	Target 29 – 46 Days

- b. As noted above, in response to previous FAC proceedings KU calculated the days in inventory according to a look back (12 months of historic burn) as historically reported. For internal planning/budget/forecasting KU calculated day's inventory on a forward looking basis, using the 12 month forward burn (tons divided by budgeted burn). Anomalies are often created by the historical or forward burn calculation when plants have extensive shutdowns or other significant changes. For some inventory levels, historical or forward burn data may overstate inventory relative to max burn potential, increasing risk of low fuel inventory affecting plant operations. Therefore, an alternate method of presenting days of inventory was needed. During 2009, KU developed a revised method of calculating days in inventory based on each plant's coal burn capability (coal tons divided by 90% of each generating unit's heat input description from its air permit to operate). By utilizing this method a day of inventory at KU's Green River Station has the same meaning as a day of inventory at LG&E's Mill Creek Station or any other plant in our system. With one day of inventory, each plant has the capability to operate nearly at full load for a day. Under this methodology, the days in inventory calculation more accurately represents how long a facility could operate with the coal inventory on hand.

In conjunction with the change in methodology for calculating a "day of inventory", upper and lower tons/day targeted inventory days were established for each plant taking into consideration that plants operating parameters. Each plant's "least cost" inventory range is established annually during the planning process based on historical coal burn/receipt variances, procurement reaction time for long-term fuel supply agreements, current coal and electricity prices offset by carrying and outage costs.

- c. See (a) above.
- d. Under KU's revised days in inventory calculation the overall system is within its' target range. However, individual plants EW Brown and Green River

exceeded the inventory target by 10 days. These Plants are higher in the overall dispatch order; therefore, lower than anticipated energy requirements decreased generation produced from these facilities, resulting in higher inventory.

- e. (1) KU does not expect significant changes in its current coal inventory target levels; however, during the Companies' planning cycle minor adjustments may be made to the inventory targets if warranted.
- (2) Not applicable.

KENTUCKY UTILITIES COMPANY

**Response to Information Requested in Appendix of
Commission's Order Dated January 27, 2010**

Case No. 2009-00507

Question No. 12

Witness: Mike Dotson

- Q-12. a. State whether KU has audited any of its coal contracts during the period from May 1, 2009 through October 31, 2009.
- b. If yes, for each audited contract:
- (1) Identify the contract;
 - (2) Identify the auditor;
 - (3) State the results of the audit; and
 - (4) Describe the actions that KU took as a result of the audit.
- A-12. a. No. KU has not conducted any financial audits of coal companies. KU's current coal contracts are fixed price or a portion of the base contract price is adjusted using government published indices to reflect the changes in the cost. These agreements thus do not require audits. KU's Manager Fuels Technical Services or Mining Engineer does 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 requests.

Smoky Mountain Coal in accordance with the provisions of Section 8.3 New Imposition of Agreement KUF-02860 requested a price increase of \$1.48 per

ton for the period July 1, 2007 – May 31, 2008 and a price increase of \$0.88 per ton for the period of June 1, 2008 – September 30, 2008. Weir is reviewing the claims for this period. As indicated in the response to Question No. 14, KU is currently in litigation on this contract.

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. A draft Weir report has been forwarded to Coalsales for review. Coalsales has requested a price increase for calendar year 2008. The request has been forward to Weir for review.

Coalsales, LLC in accordance with the provisions of Section of 8.4 New Imposition of Agreement KUF06118 requested a price increase of \$1.15 per ton for calendar year 2007. A draft Weir report has been forwarded to Coalsales for review.

Infinity Coal Sales in accordance with the provisions of Section of 8.4 New Imposition of Agreement KUF06105 requested a price increase for calendar year 2007 and 2008. A draft Weir report has been forwarded to Infinity for review.

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 has requested price increases ranging from \$0.0012 per ton up to \$0.37 per ton for various time periods. The claims are for the period of February 8, 2006 through December 31, 2008. Weir report has been forwarded to Alpha for review.

Hopkins County in accordance with the provisions of Section 21 Governmental Impositions of Agreement K07015 has requested a price increase of \$0.97 per ton for 2008. Weir is reviewing the claim.

Perry County Coal Corporation in accordance with the provisions of Section 8.5 New Impositions of Agreement KUF06108 has requested a price increase of \$0.79 per ton effective January 1, 2008. A draft Weir report has been forwarded to Perry for review. Perry County has noted some exceptions to the Weir report, and we are in discussion with Perry County.

Perry County Coal Corporation in accordance with the provisions of Section 8.4 New Impositions of Agreement KUF06125 has requested a price increase of \$1.13 per ton effective January 1, 2008. A draft Weir report has been forwarded to Perry for review. Perry County has noted some exceptions to the Weir report and we are in discussion with Perry County.

Patriot Coal Sales LLC in accordance with the provisions of Section 8.4 New Impositions of Agreement J07037 has requested price increases for calendar year 2008 and 2009. A draft Weir report has been forwarded to Patriot for review.

Patriot Coal Sales LLC in accordance with the provisions of Section 8.5 Price Adjustments for Changes in Governmental Impositions of Contract J09001 has requested price adjustments for calendar year 2009. A draft Weir report has been forwarded to Patriot for review.

Armstrong Coal Company in accordance with the provisions of Section 8.5 New Impositions of Agreement J07032 has requested a price increase for the period of April – June 2009. A draft Weir report has been forwarded to Armstrong for review. Armstrong Coal Company has requested a price increase for the period of July – September 2009, the request is under review.

- b. Not applicable

KENTUCKY UTILITIES COMPANY

**Response to Information Requested in Appendix of
Commission's Order Dated January 27, 2010**

Case No. 2009-00507

Question No. 13

Witness: Robert M. Conroy

- Q-13. a. State whether KU has received any customer complaints regarding its FAC during the period from May 1, 2009 through October 31, 2009.
- b. If yes, for each complaint, state:
- (1) The nature of the complaint; and
 - (2) KU's response.
- A-13. a. No.
- b. Not applicable.

KENTUCKY UTILITIES COMPANY

**Response to Information Requested in Appendix of
Commission's Order Dated January 27, 2010**

Case No. 2009-00507

Question No. 14

Witness: Mike Dotson

- Q-14. a. State whether KU is 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; and
 - (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-14. a. Yes
- b. **Coal Supply Agreement KUF-06145**
- (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 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 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's rights and claims related to the coal supply agreement. A copy of the order was filed with the Commission in Case No. 2006-00509. This case is ongoing.

b. **Coal Supply Agreement KUF02860/LGE02013**

- (1) Resource Sales, Inc. ("Resource"), Allied resources, Inc. ("Allied"), Cochise Coal Company, Inc. ("Cochise"), and Smoky Mountain Coal Corporation ("SMCC")
- (2) Coal Purchase Order KUF-02860 dated as of January 1, 2002, as amended.
- (3) KU seeks to recover damages sustained by KU arising from the non-delivery of 1,019,829 tons of coal. Plaintiffs seek to have the court interpret the force majeure provision in the Agreement, and to recover the amount of payments withheld by KU to offset KU's claim for damages.
- (4) Plaintiffs claim the force majeure provision should be interpreted in such a way that KU is not entitled to any more deliveries of coal pursuant to the Agreement. KU disagrees and withheld certain payments, as permitted under the Agreement, and demands that the Plaintiffs resume deliveries as required under the Agreement.
- (5) A copy of the Complaint filed by the Plaintiffs in the Circuit Court of Webster County, Kentucky, Civil Action No. 08-CI-00334, a copy of the First Amended Complaint filed by the Plaintiffs in the Circuit Court of Webster, Kentucky, Civil Action No. 08-CI-00334, and a copy of the Answer and Counterclaim filed by KU was filed with the Commission in Case No. 2008-00520.

- c. This case is in the discovery phase and is ongoing.

KENTUCKY UTILITIES COMPANY

**Response to Information Requested in Appendix of
Commission's Order Dated January 27, 2010**

Case No. 2009-00507

Question No. 15

Witness: Mike Dotson

Q-15. a. During the period from May 1, 2009 through October 31, 2009, 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 the written policies and procedures as changed;

(3) State the date(s) the changes were made; and

(4) Explain why the changes were made.

A-15. a. No.

b. Not applicable.

KENTUCKY UTILITIES COMPANY

**Response to Information Requested in Appendix of
Commission's Order Dated January 27, 2010**

Case No. 2009-00507

Question No. 16

Witness: Mike Dotson

- Q-16. a. State whether KU is aware of any violations of its policies and procedures regarding fuel procurement that occurred prior to or during the period from May 1, 2009 through October 31, 2009.
- b. If yes, for each violation:
- (1) Describe the violation;
 - (2) Describe the action(s) that KU took upon discovering the violation; and
 - (3) Identify the person(s) who committed the violation.
- A-16. a. No.
- b. Not applicable.

KENTUCKY UTILITIES COMPANY

**Response to Information Requested in Appendix of
Commission's Order Dated January 27, 2010**

Case No. 2009-00507

Question No. 17

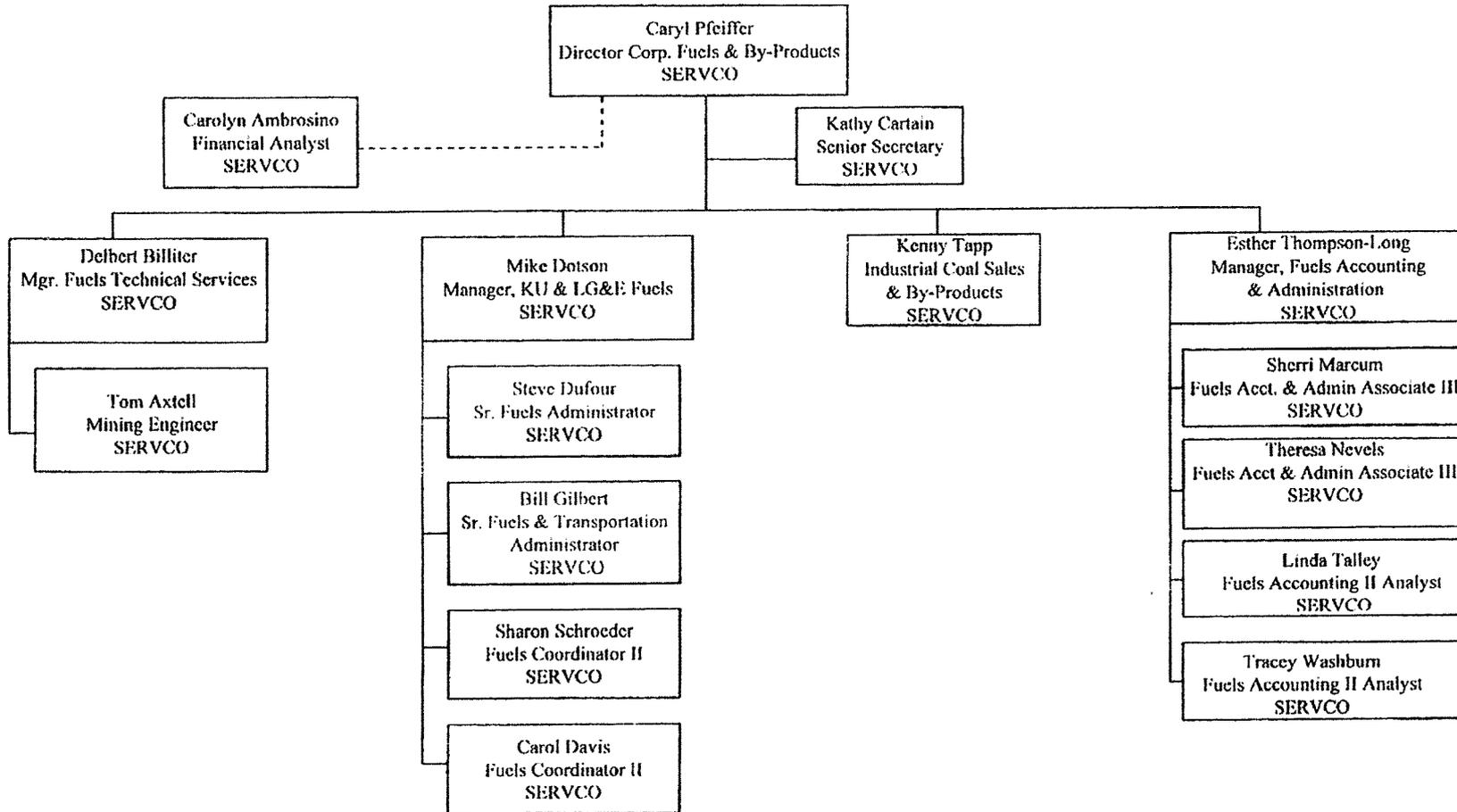
Witness: Mike Dotson

Q-17. Identify and explain the reasons for all changes that occurred during the period from May 1, 2009 through October 31, 2009 in the organizational structure and personnel of the departments or divisions that are responsible for KU's fuel procurement activities.

A-17. The following changes occurred in the Fuels Department during the period under review due to the WKE Unwind. See attached.

Delbert Billiter, returned to his position of Manager Fuels Technical Services.
Tracey Washburn returned to her position of Fuels Accounting II Analyst.
Contractor/Fuels Accounting Analysts Jerry Baker and Ron Arnold left.

Corporate Fuels and By-Products
July, 2009



KENTUCKY UTILITIES COMPANY

**Response to Information Requested in Appendix of
Commission's Order Dated January 27, 2010**

Case No. 2009-00507

Question No. 18

Witness: Frederick D. Jackson

- Q-18. 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-18. a. None.
- b. Not applicable.

KENTUCKY UTILITIES COMPANY

**Response to Information Requested in Appendix of
Commission's Order Dated January 27, 2010**

Case No. 2009-00507

Question No. 19

Witness: Mike Dotson

Q-19. List each written coal supply solicitation issued during the period from May 1, 2009 through October 31, 2009.

- 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-19. In Case No. 2009-00287, a review of KU's FAC for the period November 1, 2008 through April 30, 2009, the final selection of the vendors who responded to the solicitation dated March 2, 2009 was not complete at the time the data responses were filed. The requested information for selected vendors is provided below.

- a. Date: March 2, 2009
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
- b. Number of vendors receiving bids: 167
Number of vendor responses: 24

Selected vendors: The vendors selected were based upon the lowest evaluated delivered cost.

Patriot Coal Sales, J10002
Patriot Coal Sales, J10003
Consol Energy (Consolidation Coal Company) J10004

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.

- a. Date: September 7, 2009
Contract/Spot: Contract or Spot
Quantities: No minimum or maximum specified
Quality: Suitable for LG&E power plants and KU's Ghent power plant (beginning year 2010)
Period: Up to 10 years
Generating Units: All LG&E coal fired units and KU's Ghent power plant (beginning year 2010)
- b. Number of vendors receiving bids: 165
Number of vendors responded: 18
Selected vendor(s): The final selection of the vendors has not been made at this time. Negotiations are still in progress. The names of the selected vendors and the supporting bid tabulation sheet will be provided to the Commission after the negotiations are complete and the vendors are chosen.

KENTUCKY UTILITIES COMPANY

**Response to Information Requested in Appendix of
Commission's Order Dated January 27, 2010**

Case No. 2009-00507

Question No. 20

Witness: Mike Dotson

Q-20. List each oral coal supply solicitation issued during the period from May 1, 2009 through October 31, 2009.

- 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-20. a. Solicitation was not written because of the minimal volume of coal needed and Ghent Station requested that deliveries begin in the 4th quarter of 2009.

Date: September 17, 2009
Contract/Spot: Spot
Quantities: Up to 10,000 tons per month
Quality: "Middlings" product
Period: October – December 2009
Generating Units: Ghent power plant

- b. Number of vendors receiving bids: 8
Number of vendor responses: 5
Selected vendors: The vendors selected were based upon the lowest evaluated delivered cost.

CSV, Inc. / K09039
Cumberland Elkhorn Coal & Coke / K09040

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

KENTUCKY UTILITIES COMPANY

**Response to Information Requested in Appendix of
Commission's Order Dated January 27, 2010**

Case No. 2009-00507

Question No. 21

Witness: Robert M. Conroy

- Q-21. a. List all inter-system 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-21. a. There were no inter-system sales during the review period which required a third party's transmission system.
- b. (1) Not applicable.
- (2) Not applicable.

KENTUCKY UTILITIES COMPANY

**Response to Information Requested in Appendix of
Commission's Order Dated January 27, 2010**

Case No. 2009-00507

Question No. 22

Witness: Robert M. Conroy

- Q-22. Describe each change that KU made during the period under review to its methodology for calculating inter-system sales line losses.
- A-22. 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 of
Commission's Order Dated January 27, 2010**

Case No. 2009-00507

Question No. 23

Witness: Robert M. Conroy

- Q-23. KU offers renewable energy to its customers under tariffs SGE – Small Green Energy Rider and LGE - Large Green Energy Rider. State whether the renewable power purchased to provide service under these tariffs is recorded in the FAC. If so, state where in the FAC filing the power purchases are recorded.
- A-23. KU does not purchase renewable power under either tariff SGE or LGE. Under SGE and LGE, KU purchases Renewable Energy Credits based upon the participating customers voluntary contributions to the program. No expenses associated with this program are recorded in the FAC.