

COMMONWEALTH OF KENTUCKY
BEFORE THE PUBLIC SERVICE COMMISSION

In the Matter of:

JOINT APPLICATION OF LOUISVILLE)
GAS AND ELECTRIC COMPANY AND)
KENTUCKY UTILITIES COMPANY)
FOR A CERTIFICATE OF PUBLIC) CASE NO. 2004-00507
CONVENIENCE AND NECESSITY, AND)
A SITE COMPATIBILITY CERTIFICATE,)
FOR THE EXPANSION OF THE TRIMBLE)
COUNTY GENERATING STATION)

COMMISSION STAFF'S SECOND DATA REQUEST TO
LOUISVILLE GAS AND ELECTRIC COMPANY AND
KENTUCKY UTILITIES COMPANY

Pursuant to 807 KAR 5:001, Commission Staff requests that Louisville Gas and Electric Company ("LG&E") and Kentucky Utilities Company ("KU") file the original and 8 copies of the following information with the Commission on or before March 30, 2005, with a copy to all parties of record. Each copy of the information requested should be placed in a bound volume with each item tabbed. When a number of sheets are required for an item, each sheet should be appropriately indexed, for example, Item 1(a), Sheet 2 of 6. Include with each response the name of the witness who will be responsible for responding to questions relating to the information provided. Careful attention should be given to copied material to ensure its legibility. When the requested information has been previously provided in this proceeding in the requested format, reference may be made to the specific location of that information in responding to this request.

1. Refer to the response to the Commission Staff's First Data Request dated February 10, 2005 ("Staff First Request"), Item 11(b).

a. When LG&E implemented the 25 percent disallowance related to Trimble County Unit 1, did it remove only 25 percent of the costs associated with Trimble County Unit 1 or did it remove 25 percent of the entire investment in the Trimble County site? Explain the response.

b. When LG&E submitted its last general rate case, did it include 100 percent of the land costs associated with Trimble County Unit 2 in the determination of its electric operations and total company operations rate base? Explain the response.

c. Would LG&E agree that the 25 percent disallowance ordered by the Commission in Case No. 10320¹ was related only to Trimble County Unit 1, and not the entire Trimble County generating site? Explain the response.

2. Concerning the physical size of the Trimble County Unit 2 site:

a. What is the total acreage associated with the Trimble County Unit 2 site?

b. Using the previous acreage response, and the original cost and fair market value amount provided in response to the Staff First Request, Item 11(b)(3), calculate the original cost and fair market value of the Trimble County Unit 2 site.

c. Using the original cost and fair market value amounts determined in part (b) above, compare the original cost and fair market value amounts applicable to the portion of the Trimble County Unit 2 site to be sold to the Indiana Municipal Power

¹ Case No. 10320, An Investigation of Electric Rates of Louisville Gas and Electric Company to Implement a 25 Percent Disallowance of Trimble County Unit No. 1.

Agency, the Illinois Municipal Electric Agency, and KU with the stated purchase price in Article 6.2.1 of the 2004 Participation Agreement. If the purchase price is lower than the applicable original cost, explain why it is reasonable to sell portions of the Trimble County Unit 2 site below the applicable original cost.

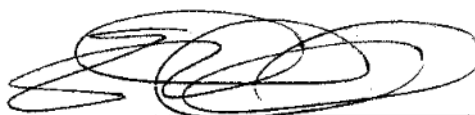
3. Refer to the response to the Staff First Request, Item 11(c)(2). Given the various approvals and permits noted in the response, provide the expected date when LG&E would be filing its application seeking Commission approval of the sale of land as required by Case No. 2002-00029.²

4. Refer to the response to the Staff First Request, Item 14. The referenced summary of the risk assessment was not attached to the response. Provide the summary of the risk assessment.

5. Refer to the response to the Staff First Request, Item 16(a).

a. Explain the reason(s) for the significant reductions in SO₂ emissions at Trimble County Unit 1 in 2003 and 2004.

b. Explain the reason(s) for the increase in NO_x emissions at Trimble County Unit 1 in 2004.



Beth O'Donnell
Executive Director
Public Service Commission
P. O. Box 615
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DATED March 17, 2005

cc: All Parties

² Case No. 2002-00029, Application of Louisville Gas and Electric Company and Kentucky Utilities Company for a Certificate of Public Convenience and Necessity for the Acquisition of Two Combustion Turbines, final Order dated June 11, 2002.