

COMMONWEALTH OF KENTUCKY  
BEFORE THE PUBLIC SERVICE COMMISSION

In the Matter of:

APPLICATION OF KENTUCKY UTILITIES	)	
COMPANY AND LOUISVILLE GAS AND	)	CASE NO.
ELECTRIC COMPANY TO TRANSFER	)	2009-00427
CONTROL OF CERTAIN TRANSMISSION	)	
FUNCTIONS	)	

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

Kentucky Utilities Company and Louisville Gas and Electric Company ("Joint Applicants"), pursuant to 807 KAR 5:001, are to file with the Commission the original and five copies of the following information, with a copy to all parties of record. The information requested herein is due on or before December 15, 2009. Responses to requests for information shall be appropriately bound, tabbed and indexed. Each response shall include the name of the witness responsible for responding to the questions related to the information provided.

Each response shall be answered under oath or, for representatives of a public or private corporation or a partnership or association or a governmental agency, be accompanied by a signed certification of the preparer or the person supervising the preparation of the response on behalf of the entity that the response is true and accurate to the best of that person's knowledge, information, and belief formed after a reasonable inquiry.

Joint Applicants shall make timely amendment to any prior response if they obtain information which indicates that the response was incorrect when made or, though correct when made, is now incorrect in any material respect. For any request to which Joint Applicants fail or refuse to furnish all or part of the requested information, they shall provide a written explanation of the specific grounds for their failure to completely and precisely respond.

Careful attention shall be given to copied material to ensure that it is legible. 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. When applicable, the requested information shall be separately provided for total company operations and jurisdictional operations.

1. Refer to page 4 of the joint application, paragraph No. 9. Provide a detailed description of the events, disputes, etc. that led to the recent settlement with the Southwest Power Pool, Inc (“SPP”).

2. Refer to page 5 of the joint application, paragraph No. 11. Provide the Request for Information that Joint Applicants sent to ten potential providers of Independent Transmission Operator (“ITO”) services.

3. Refer to page 6 of the joint application, paragraph No. 13. A number of items are identified as being required by the Federal Energy Regulatory Commission’s Order 890 to be posted on the Joint Applicants’ Open-Access Same-time Information System (“OASIS”). One of the items is “transmission studies that are late.” Describe a transmission study that is late, identify what distinguishes it from a study that is not late, and explain why only the late studies must be posted on the OASIS.

4. Refer to page 8 of the joint application, paragraph No. 17.
  - a. Provide a narrative description and numerical breakdown of the projected annual cost of \$3 to \$4 million for the Joint Applicants to self-provide ITO services. This should reflect all categories of cost; i.e. labor, IT, etc.
  - b. Provide a narrative description and numerical breakdown of the projected \$2 million in start-up costs related to Joint Applicants commencing to self-provide ITO services. This should reflect all categories of cost; i.e. labor, IT, etc.
5. Refer to the first full sentence on page 10 of the joint application.
  - a. Provide the projected number of staff Joint Applicants expect to hire in conjunction with self-providing ITO services.
  - b. Provide a general description of the training to which the sentence refers, including whether it will be conducted in-house or externally.
  - c. Describe, generally, the changes required of the Tennessee Valley Authority ("TVA"), the companies' reliability coordinator, in conjunction with their self-providing ITO services. Include in the response an estimate of any additional payments to TVA that will be required of Joint Applicants in conjunction with the transfer of the ITO services function from SPP to the companies.
6. Explain whether SPP's termination of its role as ITO services provider could be detrimental in any way to Joint Applicants' ability to make off-system power sales.

DATED: DEC - 3 2009

cc: All Parties

  
Jeff Derouen  
Executive Director  
Public Service Commission  
P. O. Box 615  
Frankfort, KY 40602

Honorable W. Duncan Crosby III  
Attorney at Law  
Stoll Keenon Ogden, PLLC  
2000 PNC Plaza  
500 W Jefferson Street  
Louisville, KY 40202-2828

Honorable Allyson K Sturgeon  
Senior Corporate Attorney  
E.ON U.S. LLC  
220 West Main Street  
Louisville, KY 40202