

COMMONWEALTH OF KENTUCKY
BEFORE THE PUBLIC SERVICE COMMISSION

In the Matter of:

APPLICATION OF KENTUCKY UTILITIES)	CASE NO.
COMPANY FOR AN ADJUSTMENT OF ITS)	2012-00221
ELECTRIC RATES)	

RESPONSE OF
KENTUCKY UTILITIES COMPANY
TO
COMMISSION STAFF'S FIRST REQUEST FOR INFORMATION
DATED JUNE 15, 2012

Updated Responses to Question Nos. 43, 44, and 55(c)

FILED: August 27, 2012

VERIFICATION

COMMONWEALTH OF KENTUCKY)
) SS:
COUNTY OF JEFFERSON)

The undersigned, **Kent W. Blake**, being duly sworn, deposes and says that he is Chief Financial Officer for Kentucky Utilities Company and Louisville Gas and Electric Company and an employee of LG&E and KU Services Company, 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.

KTWB lake
Kent W. Blake

Subscribed and sworn to before me, a Notary Public in and before said County and State, this 27th day of August 2012.

Joan A. Henry (SEAL)
Notary Public

My Commission Expires:

July 21, 2015

VERIFICATION

COMMONWEALTH OF KENTUCKY)
) SS:
COUNTY OF JEFFERSON)

The undersigned, **Valerie L. Scott**, being duly sworn, deposes and says that she is Controller for Kentucky Utilities Company and Louisville Gas and Electric Company and an employee of LG&E and KU Services Company, and that she has personal knowledge of the matters set forth in the responses for which she is identified as the witness, and the answers contained therein are true and correct to the best of her information, knowledge and belief.

Valerie L. Scott
Valerie L. Scott

Subscribed and sworn to before me, a Notary Public in and before said County and State, this 27th day of August 2012.

Jan A. Henry (SEAL)
Notary Public

My Commission Expires:

July 21, 2015

KENTUCKY UTILITIES COMPANY

CASE NO. 2012-00221

**UPDATED Response to Commission Staff's First Request for Information
Dated June 15, 2012**

Updated Response filed August 27, 2012

Question No. 43

Responding Witness: Kent W. Blake / Lonnie E. Bellar

Q-43. Provide any information, when known, that would have a material effect on net operating income, rate base, or cost of capital that has occurred after the test year but were not incorporated in the filed testimony and exhibits.

A-43. Consistent with its commitments in the initial response to this request for information and past practice, please see attached Revised Blake Exhibit 2 and Analysis of the Embedded Cost of Capital, reflecting changes to embedded cost of capital through July 31, 2012. Certain information is being filed under seal pursuant to a petition for confidential treatment filed July 13, 2012.

See attached Reference Schedule 1.09 reflecting off-system sales margins through July 31, 2012.

The Company will continue to timely supplement this response with updated information.

KENTUCKY UTILITIES

Capitalization at March 31, 2012
with Annual Cost Rate as of July 31, 2012

	Per Books 3-31-2012 (1)	Capital Structure (2)	Undistributed Subsidiary Earnings (3)	Investment in EEI (Col 2 x Col 4 Line 4) (4)	Investments in OVEC and Other (Col 2 x Col 5 Line 4) (5)	Adjustments to Total Co. Capitalization (Sum of Col 3 - Col 5) (6)	Adjusted Total Company Capitalization (Col 1 + Col 6) (7)	Jurisdictional Rate Base Percentage (Exhibit 3 Line 19) (8)	Kentucky Jurisdictional Capitalization (Col 7 x Col 8) (9)
1. Short Term Debt	\$ -	0.00%	\$ -	\$ -	\$ -	\$ -	\$ -	87.52%	\$ -
2. Long Term Debt	1,840,750,374	46.26%	-	(599,437)	(198,511)	(797,948)	1,839,952,426	87.52%	1,610,326,363
3. Common Equity	2,138,484,751	53.74%	(3,158,501)	(696,363)	(230,610)	(4,085,474)	2,134,399,277	87.52%	1,868,026,247
4. Total Capitalization	<u>\$ 3,979,235,125</u>	<u>100.00%</u>	<u>\$ (3,158,501)</u>	<u>\$ (1,295,800)</u>	<u>\$ (429,121)</u>	<u>\$ (4,883,422)</u>	<u>\$ 3,974,351,703</u>		<u>\$ 3,478,352,610</u>

	Kentucky Jurisdictional Capitalization (9)	Capital Structure (10)	Environmental Compliance Plans (a) (Col 10 x Col 11 Line 4) (11)	Adjusted Kentucky Jurisdictional Capitalization (Col 9 + Col 11) (12)	Adjusted Capital Structure (13)	Annual Cost Rate (14)	Cost of Capital (Col 14 x Col 13) (15)
1. Short Term Debt	\$ -	0.00%	\$ -	\$ -	0.00%	0.46%	(b) 0.00%
2. Long Term Debt	1,610,326,363	46.30%	(85,030,505)	1,525,295,858	46.30%	3.69%	(b) 1.71%
3. Common Equity	1,868,026,247	53.70%	(98,636,561)	1,769,389,686	53.70%	11.00%	(c) 5.91%
4. Total Capitalization	<u>\$ 3,478,352,610</u>	<u>100.00%</u>	<u>\$ (183,667,066)</u>	<u>\$ 3,294,685,544</u>	<u>100.00%</u>		<u>7.62%</u>

- (a) Supporting Schedule-Exhibit 3, Page 1, Line 19, Column 5 \$ 183,667,066
(b) Embedded cost as of July 31, 2012
(c) Recommended Rate of Return on Common Equity

**KENTUCKY UTILITIES COMPANY
ANALYSIS OF THE EMBEDDED COST OF CAPITAL AT
July 31, 2012**

LONG-TERM DEBT										
	Due	Rate	Principal	Interest	Annualized Cost				Embedded Cost	
					Amortized Debt Issuance Exp/Discount	Amortized Loss-Reacquired Debt	Letter of Credit and other fees	Total		
Pollution Control Bonds -										
Mercer Co. 2000 Series A	05/01/23	0.180% *	\$ 12,900,000	\$ 23,220	\$ -	\$ 46,743	\$ 156,549	a	\$ 226,512	1.756%
Carroll Co. 2002 Series A	02/01/32	0.550% *	20,930,000	115,115	4,104	36,300	20,930	b	176,449	0.843%
Carroll Co. 2002 Series B	02/01/32	0.450% *	2,400,000	10,800	2,856	4,164	2,400	b	20,220	0.843%
Muhlenberg Co. 2002 Series A	02/01/32	0.450% *	2,400,000	10,800	1,140	12,744	2,400	b	27,084	1.129%
Mercer Co. 2002 Series A	02/01/32	0.450% *	7,400,000	33,300	3,180	12,900	7,400	b	56,780	0.767%
Carroll Co. 2002 Series C	10/01/32	0.282% *	96,000,000	270,720	73,658	186,036	300,538	c	830,952	0.866%
Carroll Co. 2004 Series A	10/01/34	0.170% *	50,000,000	85,000	-	105,023	609,493	a	799,516	1.599%
Carroll Co. 2006 Series B	10/01/34	0.170% *	54,000,000	91,800	47,920	-	658,985	a	798,705	1.479%
Carroll Co. 2007 Series A	02/01/26	5.750%	17,875,000	1,027,813	33,342	-	-	-	1,061,155	5.937%
Trimble Co. 2007 Series A	03/01/37	6.000%	8,927,000	535,620	16,072	-	-	-	551,692	6.180%
Carroll Co. 2008 Series A	02/01/32	0.170% *	77,947,405	132,511	34,400	-	951,225	a	1,118,136	1.434%
Called Bonds				-	-	201,063	1		201,063	
First Mortgage Bonds -										
2010 due 2015	11/01/15	1.625%	250,000,000	4,062,500	461,126 **	-	-	-	4,523,626	1.809%
Debt discount on FMB	11/01/15	1.625%	(576,042)	-	175,000 **	-	-	-	175,000	-30.380%
2010 due 2020	11/01/20	3.250%	500,000,000	16,250,000	418,360 **	-	-	-	16,668,360	3.334%
Debt discount on FMB	11/01/15	3.250%	(1,567,125)	-	189,000 **	-	-	-	189,000	-12.060%
2010 due 2040	11/01/40	5.125%	750,000,000	38,437,500	249,641 **	-	-	-	38,687,141	5.158%
Debt discount on FMB	11/01/40	5.125%	(7,674,115)	-	271,250 **	-	-	-	271,250	-3.535%
S-3 SEC Shelf Registration	03/27/15				2,292				2,292	
Revolving Credit Facility	10/19/16					3&4	500,000			
Letter of Credit Facility	04/29/14									
Total External Debt			<u>\$1,840,962,124</u>	<u>\$ 61,086,699</u>	<u>\$ 3,067,611</u>	<u>\$ 604,973</u>	<u>\$ 3,209,920</u>		<u>\$67,969,203</u>	3.692%
Notes Payable to PPL.	2		\$ -	\$ -	\$ -	\$ -	\$ -		\$ -	
Total Internal Debt			<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>		<u>\$ -</u>	0.000%
Total			<u>\$ 1,840,962,124</u>	<u>\$ 61,086,699</u>	<u>\$ 3,067,611</u>	<u>\$ 604,973</u>	<u>\$ 3,209,920</u>		<u>\$67,969,203</u>	3.692%

SHORT-TERM DEBT										
	Rate	Principal	Interest	Annualized Cost				Embedded Cost		
				Expense	Loss	Premium	Total			
Notes Payable to Associated Company	0.460% *	\$ 1,479,000	\$ 6,803	\$ -	\$ -	\$ -	\$ 6,803	0.460%		
Revolving Credit Facility Payable		-	-	-	-	-	-	0.000%		
Commercial Paper Program	Varies	0.410%	-	-	-	-	-	0.000%		
Total		<u>\$ 1,479,000</u>	<u>\$ 6,803</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 6,803</u>	0.460%		

Embedded Cost of Total Debt	<u>\$1,842,441,124</u>	<u>\$ 61,093,502</u>	<u>\$ 3,067,611</u>	<u>\$ 604,973</u>	<u>\$ 3,209,920</u>	<u>\$67,976,006</u>	3.689%
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* Composite rate at end of current month.
** Debt discount shown on separate line.

1 Series P and R bonds were redeemed in 2003, and 2005, respectively. They were not replaced with other bond series. The remaining unamortized expense is being amortized over the remainder of the original lives (due 5/15/07, 6/1/25, 6/1/35, and 6/1/36 respectively) of the bonds as loss on reacquired debt.

2 Fidelia Notes Payable were paid off on 11/1/2010 with PPL Notes Payable that were paid off with the new FMB issues on 11/16/2010.

3 Included setup fees for the Wachovia Credit Facility in Long-term Debt due to 4 year credit arrangement

4 Credit Facility amended effective October 19, 2011. New term of 5 years at lower interest rate.

a - Letter of credit fee = (principal bal + 45 days interest)*2% L/C Fee and .25% L/C Fronting Fee. Rate based on company credit rating. Remarketing Fee = 10 basis points.

b - Remarketing fee = 10 basis points

c - Remarketing fee = 25 basis points

Exhibit 1

Reference Schedule 1.09

Sponsoring Witness: Bellar

KENTUCKY UTILITIES

**To Adjust Off-System Sales Margins
For the Twelve Months Ended March 31, 2012**

Updated to reflect actual Off-System Sales Margins through July 2012

1. Off-System Sales Margins for 2012 (January - July 2012)	\$ 412,246
2. Annualized Off-System Sales Margins for 2012 (Line 1 x 12/7)	\$ 706,707
3. Off-System Sales Margins in test year	\$ 903,033
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4. Off-System Sales Margins adjustment (Line 2 - Line 3)	\$ (196,326)
5. Kentucky Jurisdiction (Ref. Sch. Allocators)	86.757%
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6. Kentucky Jurisdictional adjustment	\$ (170,327)
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NOTE: Off-System sales margins defined as Total OSS revenues less assigned fuel and purchase power expense, transmission costs, environmental costs, and cost of losses.

KENTUCKY UTILITIES COMPANY

CASE NO. 2012-00221

**UPDATED Response to Commission Staff's First Request for Information
Dated June 15, 2012**

Updated Response filed August 27, 2012

Question No. 44

Responding Witness: Valerie L. Scott

- Q-44. Provide detailed monthly income statements for each month after the test year, including the month in which the hearing ends, as they become available.
- A-44. See attached income statements for July 2012. Income statements for subsequent months will be provided as they become available.

KU's monthly financial statements also continue to be filed with the Commission under separate cover with the Commission pursuant to 807 KAR 5:006 Section 3(4).

KENTUCKY UTILITIES COMPANY

Financial Reports

July 31, 2012

Kentucky Utilities Company
Comparative Statement of Income
July 31, 2012

	Current Month			
	This Year	Last Year	Increase or Decrease	
	Amount	Amount	Amount	%
Electric Operating Revenues.....	\$ 148,939,919.78	\$ 152,725,550.31	\$ (3,785,630.53)	\$ (2.48)
Rate Refunds.....	-	-	-	-
Total Operating Revenues.....	148,939,919.78	152,725,550.31	(3,785,630.53)	(2.48)
Fuel for Electric Generation.....	56,490,782.66	57,931,087.86	(1,440,305.20)	(2.49)
Power Purchased.....	6,476,251.75	7,260,166.00	(783,914.25)	(10.80)
Other Operation Expenses.....	20,467,915.10	19,333,773.67	1,134,141.43	5.87
Maintenance.....	9,526,818.50	8,622,899.07	903,919.43	10.48
Depreciation.....	15,745,756.11	15,401,354.41	344,401.70	2.24
Amortization Expense.....	684,146.94	605,605.22	78,541.72	12.97
Regulatory Credits.....	(527,405.58)	(504,995.20)	(22,410.38)	(4.44)
Taxes				
Federal Income.....	10,374,893.54	11,764,783.74	(1,389,890.20)	(11.81)
State Income.....	1,892,077.86	2,145,553.27	(253,475.41)	(11.81)
Deferred Federal Income - Net.....	0.02	-	0.02	-
Deferred State Income - Net.....	-	-	-	-
Property and Other.....	2,547,981.01	2,266,031.26	281,949.75	12.44
Investment Tax Credit.....	-	-	-	-
Loss (Gain) from Disposition of Allowances.....	-	-	-	-
Accretion Expense.....	266,866.84	230,133.65	36,733.19	15.96
Total Operating Expenses.....	123,946,084.75	125,056,392.95	(1,110,308.20)	(0.89)
Net Operating Income.....	24,993,835.03	27,669,157.36	(2,675,322.33)	(9.67)
Other Income Less Deductions				
Amortization of Investment Tax Credit.....	233,343.00	233,343.00	-	-
Other Income Less Deductions.....	(222,723.03)	235,429.03	(458,152.06)	(194.60)
AFUDC - Equity.....	3,264.40	4,031.76	(767.36)	(19.03)
Total Other Income Less Deductions.....	13,884.37	472,803.79	(458,919.42)	(97.06)
Income Before Interest Charges.....	25,007,719.40	28,141,961.15	(3,134,241.75)	(11.14)
Interest on Long-Term Debt.....	5,089,322.13	5,072,104.60	17,217.53	0.34
Amortization of Debt Expense - Net.....	306,048.61	324,095.50	(18,046.89)	(5.57)
Other Interest Expenses.....	331,490.97	425,131.56	(93,640.59)	(22.03)
AFUDC - Borrowed Funds.....	(853.06)	(1,225.42)	372.36	30.39
Total Interest Charges.....	5,726,008.65	5,820,106.24	(94,097.59)	(1.62)
Net Income.....	\$ 19,281,710.75	\$ 22,321,854.91	\$ (3,040,144.16)	\$ (13.62)

Kentucky Utilities Company
Comparative Statement of Income
July 31, 2012

	Year to Date			
	This Year Amount	Last Year Amount	Increase or Decrease Amount	%
Electric Operating Revenues.....	\$ 902,922,604.34	\$ 923,958,418.90	\$ (21,035,814.56)	\$ (2.28)
Rate Refunds.....	-	-	-	-
Total Operating Revenues.....	902,922,604.34	923,958,418.90	(21,035,814.56)	(2.28)
Fuel for Electric Generation.....	307,031,250.57	315,350,790.90	(8,319,540.33)	(2.64)
Power Purchased.....	62,402,899.87	64,954,293.77	(2,551,393.90)	(3.93)
Other Operation Expenses.....	134,959,978.33	134,254,874.12	705,104.21	0.53
Maintenance.....	83,069,104.44	71,886,618.50	11,182,485.94	15.56
Depreciation.....	109,678,275.84	105,138,876.83	4,539,399.01	4.32
Amortization Expense.....	4,663,642.58	4,104,416.09	559,226.49	13.63
Regulatory Credits.....	(3,668,169.76)	(3,355,402.25)	(312,767.51)	(9.32)
Taxes				
Federal Income.....	(2,376,513.77)	8,590,249.87	(10,966,763.64)	(127.67)
State Income.....	2,069,676.45	6,655,497.00	(4,585,820.55)	(68.90)
Deferred Federal Income - Net.....	51,039,712.18	48,680,498.78	2,359,213.40	4.85
Deferred State Income - Net.....	5,666,126.25	2,692,792.20	2,973,334.05	110.42
Property and Other.....	18,098,403.29	16,156,530.04	1,941,873.25	12.02
Investment Tax Credit.....	-	-	-	-
Loss (Gain) from Disposition of Allowances.....	(886.52)	(3,293.39)	2,406.87	73.08
Accretion Expense.....	1,844,399.05	1,591,717.33	252,681.72	15.87
Total Operating Expenses.....	774,477,898.80	776,698,459.79	(2,220,560.99)	(0.29)
Net Operating Income.....	128,444,705.54	147,259,959.11	(18,815,253.57)	(12.78)
Other Income Less Deductions				
Amortization of Investment Tax Credit.....	1,633,398.49	1,519,690.00	113,708.49	7.48
Other Income Less Deductions.....	(2,794,202.86)	929,638.59	(3,723,841.45)	(400.57)
AFUDC - Equity.....	21,435.73	18,177.14	3,258.59	17.93
Total Other Income Less Deductions.....	(1,139,368.64)	2,467,505.73	(3,606,874.37)	(146.17)
Income Before Interest Charges.....	127,305,336.90	149,727,464.84	(22,422,127.94)	(14.98)
Interest on Long-Term Debt.....	35,578,416.98	35,810,997.02	(232,580.04)	(0.65)
Amortization of Debt Expense - Net.....	2,141,611.12	2,127,124.20	14,486.92	0.68
Other Interest Expenses.....	2,584,917.02	3,347,957.79	(763,040.77)	(22.79)
AFUDC - Borrowed Funds.....	(5,507.60)	(5,525.75)	18.15	0.33
Total Interest Charges.....	40,299,437.52	41,280,553.26	(981,115.74)	(2.38)
Net Income.....	\$ 87,005,899.38	\$ 108,446,911.58	\$ (21,441,012.20)	\$ (19.77)

Kentucky Utilities Company
Comparative Statement of Income
July 31, 2012

	Year Ended Current Month			
	This Year Amount	Last Year Amount	Increase or Decrease Amount	%
Electric Operating Revenues.....	\$ 1,526,481,171.54	\$ 1,563,087,093.33	\$ (36,605,921.79)	\$ (2.34)
Rate Refunds.....	-	6.12	(6.12)	(100.00)
Total Operating Revenues.....	1,526,481,171.54	1,563,087,099.45	(36,605,927.91)	(2.34)
Fuel for Electric Generation.....	514,329,101.78	512,975,829.10	1,353,272.68	0.26
Power Purchased.....	106,563,553.84	134,430,957.68	(27,867,403.84)	(20.73)
Other Operation Expenses.....	234,213,795.15	226,372,974.31	7,840,820.84	3.46
Maintenance.....	127,485,854.63	122,908,984.10	4,576,870.53	3.72
Depreciation.....	186,466,187.13	167,041,382.39	19,424,804.74	11.63
Amortization Expense.....	7,822,670.90	6,853,229.15	969,441.75	14.15
Regulatory Credits.....	(6,168,407.44)	(7,048,629.65)	880,222.21	12.49
Taxes				
Federal Income.....	(17,908,215.75)	46,305,448.95	(64,213,664.70)	(138.67)
State Income.....	(130,641.40)	16,008,231.21	(16,138,872.61)	(100.82)
Deferred Federal Income - Net.....	103,947,992.43	47,456,674.17	56,491,318.26	119.04
Deferred State Income - Net.....	12,947,793.84	907,000.14	12,040,793.70	1,327.54
Property and Other.....	30,057,639.71	24,339,048.80	5,718,590.91	23.50
Investment Tax Credit.....	-	-	-	-
Loss (Gain) from Disposition of Allowances.....	(886.52)	(16,020.32)	15,133.80	94.47
Accretion Expense.....	3,079,798.58	3,807,620.70	(727,822.12)	(19.11)
Total Operating Expenses.....	1,302,706,236.88	1,302,342,730.73	363,506.15	0.03
Net Operating Income.....	223,774,934.66	260,744,368.72	(36,969,434.06)	(14.18)
Other Income Less Deductions				
Amortization of Investment Tax Credit.....	2,800,109.49	1,549,315.00	1,250,794.49	80.73
Other Income Less Deductions.....	(1,974,111.77)	729,148.48	(2,703,260.25)	(370.74)
AFUDC - Equity.....	45,920.17	540,301.14	(494,380.97)	(91.50)
Total Other Income Less Deductions.....	871,917.89	2,818,764.62	(1,946,846.73)	(69.07)
Income Before Interest Charges.....	224,646,852.55	263,563,133.34	(38,916,280.79)	(14.77)
Interest on Long-Term Debt.....	61,007,970.38	65,724,368.87	(4,716,398.49)	(7.18)
Amortization of Debt Expense - Net.....	3,742,693.31	2,837,146.51	905,546.80	31.92
Other Interest Expenses.....	4,614,741.71	5,263,612.16	(648,870.45)	(12.33)
AFUDC - Borrowed Funds.....	(12,936.93)	(419,470.16)	406,533.23	96.92
Total Interest Charges.....	69,352,468.47	73,405,657.38	(4,053,188.91)	(5.52)
Net Income.....	\$ 155,294,384.08	\$ 190,157,475.96	\$ (34,863,091.88)	\$ (18.33)

KENTUCKY UTILITIES COMPANY

CASE NO. 2012-00221

**UPDATED Response to Commission Staff's First Request for Information
Dated June 15, 2012**

Updated Response filed August 27, 2012

Question No. 55

Responding Witness: Lonnie E. Bellar

Q-55. Provide the following information concerning the costs for the preparation of this case:

a. A detailed schedule of expenses incurred to date for the following categories:

- (1) Accounting;
- (2) Engineering;
- (3) Legal;
- (4) Consultants; and
- (5) Other Expenses (Identify separately).

For each category, the schedule should include the date of each transaction, check number or other document reference, the vendor, the hours worked, the rates per hour, amount, a description of the services performed, and the account number in which the expenditure was recorded. Provide copies of any invoices, contracts, or other documentation that support charges incurred in the preparation of this rate case. Indicate any costs incurred for this case that occurred during the test year.

- b. An itemized estimate of the total cost to be incurred for this case. Expenses should be broken down into the same categories as identified in (a) above, with an estimate of the hours to be worked and the rates per hour. Include a detailed explanation of how the estimate was determined, along with all supporting workpapers and calculations.
- c. During the course of this proceeding, provide monthly updates of the actual costs incurred, in the manner requested in (a) above. Updates will be due the last business day of each month, through the month of the public hearing.

A-55. c. Consistent with its commitments in the initial response to this request for information and past practice, please see the attached.

KENTUCKY UTILITIES COMPANY

CASE NO. 2012-00221

Schedule of Rate Case Preparation Costs

Response to Commission's Order

Dated June 15, 2012

Question No. 55(c)

Responding Witness: Lonnie E. Bellar

Date	Invoice #	Vendor Name	Hours (1)	Rate/Hr	Amount	Description	Account
4-Apr-12	710455	STOLL KEENON OGDEN PLLC	4.05	346.50	1,403.33	Professional Services	182335
20-Apr-12	712685	STOLL KEENON OGDEN PLLC	43.36	289.80	12,566.45	Professional Services	182335
11-May-12	716506	STOLL KEENON OGDEN PLLC	84.13	254.51	21,412.09	Professional Services	182335
18-Jun-12	718672	STOLL KEENON OGDEN PLLC	183.44	251.85	46,198.20	Professional Services	182335
		SUBTOTAL LEGAL OUTSIDE COUNSEL KU ELECTRIC @ 06/30/2012			<u>81,580.07</u>		
10-Jul-12	720404	STOLL KEENON OGDEN PLLC	249.53	265.12	66,155.17	Professional Services	182335
		SUBTOTAL LEGAL OUTSIDE COUNSEL LG&E ELECTRIC			<u>66,155.17</u>		
		TOTAL LEGAL OUTSIDE COUNSEL KU ELECTRIC			<u>147,735.24</u>		182335
16-Apr-12	420121	THE PRIME GROUP LLC	12.96	177.08	2,295.00	Cost of service and rate design development	182335
4-May-12	520121	THE PRIME GROUP LLC	81.54	169.85	13,849.61	Cost of service and rate design development	182335
11-May-12	FINANC043012	FINANCIAL CONCEPTS AND APPLICATIONS INC	5.40	381.20	2,058.48	Research, analysis and testimony preparation	182335
1-Jun-12	0543811204028	GANNETT FLEMING INC	33.50	142.09	4,760.00	Depreciation consulting services	182335
12-Jun-12	620121	THE PRIME GROUP LLC	120.42	151.50	18,244.01	Cost of service and rate design development	182335
26-Jun-12	018560512	FINANCIAL CONCEPTS AND APPLICATIONS INC	2.70	275.00	742.49	Research, analysis, and testimony preparation	182335
		SUBTOTAL CONSULTANTS KU ELECTRIC @ 06/30/2012			<u>41,949.59</u>		
5-Jul-12	543811205051	GANNETT FLEMING INC	2.50	181.00	452.50	Depreciation consulting services	182335
17-Jul-12	720121	THE PRIME GROUP LLC	38.61	151.55	5,851.30	Cost of service and rate design development	182335
24-Jul-12	1856063012	FINANCIAL CONCEPTS AND APPLICATIONS INC	22.95	283.81	6,513.48	Research, analysis, and testimony preparation	182335
		SUBTOTAL CONSULTANTS LG&E ELECTRIC			<u>12,817.28</u>		
		TOTAL CONSULTANTS KU ELECTRIC			<u>54,766.87</u>		182335
		TOTAL RATE CASE EXPENSES @ 07/31/12			<u>202,502.11</u>		182335

Note (1) - Hours are calculated based on information provided on the billing statement.

INVOICE

Invoice Information

Firm/Vendor: Stoll Keenon Ogden
Office: Payment Address
Invoice Number: 720404
Date of Invoice: 06/20/2012
Billing Period: 04/04/2012 - 05/31/2012
Date Posted: 06/20/2012
Invoice Description/Comment: 2012 KY Base Rate Case

Amount Approved

Approved Total **\$122,509.58**
Invoice Currency: **USD**
Date Approved: 07/10/2012
Final Approver: Dot O'Brien
Approved Fees \$121,961.47
Approved Expenses \$548.11
Comments to AP: LEGAL SERVICES

Accounting Code Allocations

<u>Cost Center</u>	<u>GL Account</u>	<u>Expense Type</u>	<u>Amount</u>	<u>Percentage</u>	<u>Comment</u>
125973	KU RC-EL 2012	0321 026900	\$66,155.17	54%	
125974	LGE RC- GS 2012	0321 026900	\$13,843.58	11.3%	
125975	LGE RC-EL 2012	0321 026900	\$42,510.82	34.7%	

Vendor Address & Tax Information in Serengeti Tracker

Stoll Keenon Ogden
Post Office Box 11969
Lexington, Kentucky 40509

Tel: 502-333-6000
Fax: 502-333-6099

Remittance Address

Same as mail address
Vendor Tax ID: 61-0421389
VAT ID: --
GST ID: --
HST ID: --
PST ID: --

Amount Billed

Billed Total \$122,509.58
Invoice Currency: USD
Billed Fees \$121,961.47
Billed Expenses \$548.11

Approval History

<u>User</u>	<u>Action</u>	<u>Date</u>	<u>Amount</u>	<u>Comment</u>
Amy Smith	Posted	06/20/2012	\$122,509.58	
Kathy Wilson	Approved	06/22/2012	\$122,509.58	
Allyson Sturgeon	Approved	06/28/2012	\$122,509.58	
Dot O'Brien	Approved	07/06/2012	\$122,509.58	
Kathy Wilson	AP Reviewed	07/10/2012	\$122,509.58	
Kathy Wilson	AP Batch Run	07/10/2012	\$122,509.58	Batch ID: 001000112 (Sent to AP: 07/10/2012 10:49:53 AM)

Additional Financial Information

Oracle Vendor Number: 40033
Vendor Pay Site: PY-LEXINGTON
Name of Invoice File in .Zip: Stoll Keenon Ogden - 720404.html
Comments to Firm:
AP Route: Default AP Route

Matter Information

Matter Name (Short): Rate Case Kentucky 2012
Company File No.: 30432
Lead Company Person: Sturgeon, Allyson
Organizational Unit: LKE > KU and LG&E > Corporate
Practice Group: LKE Legal > Regulatory > State
Law Firm Matter No.: 142301
Country (in Matter): United States

Invoice Line Items:

<u>Date</u>	<u>Description</u>	<u>Narrative</u>	<u>Timekeeper</u>	<u>Units</u>	<u>Rate</u>	<u>Adjust</u>	<u>Amount</u>
05/01/2012	-	Work on testimony; telephone conference with Ms. Sturgeon re rate	Riggs, Kendrick	6	\$357.22		\$2,143.32

	schedule issues.				
05/01/2012 -	Work on analysis of previous pro forma rate adjustments	Thacker, Chris	3.7	\$198.00	\$732.60
05/01/2012 -	Work on testimony.	Crosby, III, W. Duncan	1.1	\$224.84	\$247.32
05/01/2012 -	Prepare for and attend meeting team re gas tracker, service lines, etc.; research tariffs and regulations re ownership of service lines	Watt, Robert	2.5	\$357.22	\$893.05
05/01/2012 -	Work on testimony	Braun, Monica	5.5	\$184.50	\$1,014.75
05/02/2012 -	Work on Arbough testimony and other regulatory and tariff issues	Dunn, Barry	2.7	\$180.00	\$486.00
05/02/2012 -	Work on testimony	Braun, Monica	3.6	\$184.50	\$664.20
05/02/2012 -	Prepare for and attend meeting at LG&E/KU with Ms. Sturgeon and others re return on capital issues; work on testimony; analysis of regulatory issues re rate schedules and rate design.	Riggs, Kendrick	7.6	\$357.22	\$2,714.87
05/02/2012 -	Research re regulatory and tariff issues	Eversole, Deborah	5.4	\$316.34	\$1,708.24
05/02/2012 -	Draft of testimony.	Crosby, III, W. Duncan	4.9	\$224.84	\$1,101.72
05/02/2012 -	Research tariff issue; telephone conference with client re: same	Thacker, Chris	5.2	\$198.00	\$1,029.60
05/03/2012 -	Work on testimony.	Riggs, Kendrick	5.2	\$357.22	\$1,857.54
05/03/2012 -	Revisions to draft testimony.	Crosby, III, W. Duncan	3.6	\$224.84	\$809.42
05/03/2012 -	Work on analysis re: pro forma adjustments	Thacker, Chris	1	\$198.00	\$198.00
05/03/2012 -	Work on ROE issues; review abbreviated notice issue	Ingram, III, Lindsey	0.8	\$286.16	\$228.93
05/04/2012 -	Attention to emails.	Riggs, Kendrick	0.2	\$357.20	\$71.44
05/04/2012 -	Work on pro forma chart of adjustments	Braun, Monica	0.3	\$184.50	\$55.35
05/04/2012 -	Work on tariff provisions for gas service lines; draft memo re same	Watt, Robert	1.5	\$357.22	\$535.83
05/04/2012 -	Work on analysis of adjustments	Thacker, Chris	0.5	\$198.00	\$99.00
05/04/2012 -	Draft tariff language re standby situation; examine and edit Murphy testimony	Watt, Robert	1.5	\$357.22	\$535.83
05/05/2012 -	Work on Arbough testimony.	Dunn, Barry	1.1	\$180.00	\$198.00
05/05/2012 -	Work on analysis of adjustments	Thacker, Chris	5.8	\$198.00	\$1,148.40
05/05/2012 -	Work on Scott and Charnas testimony; perform research related to adjustments	Braun, Monica	2.1	\$184.50	\$387.45
05/06/2012 -	Work on testimony.	Riggs, Kendrick	2.6	\$357.22	\$928.77
05/06/2012 -	Perform research related to prior adjustments	Braun, Monica	2.3	\$184.50	\$424.35
05/06/2012 -	Work on Arbough testimony.	Dunn, Barry	1.4	\$180.00	\$252.00
05/07/2012 -	Revisions to draft testimony.	Crosby, III, W. Duncan	4.2	\$224.84	\$944.33
05/07/2012 -	In-house conference call re testimony, filings and notice	Eversole, Deborah	0.5	\$316.34	\$158.17
05/07/2012 -	Work on analysis of pro forma adjustments	Thacker, Chris	2.5	\$198.00	\$495.00
05/07/2012 -	Attend conference status call; work on ROE issue	Ingram, III, Lindsey	0.8	\$286.16	\$228.93
05/07/2012 -	Travel to and from Louisville; conference with Murphy, et al; conference call re status of pending matters	Watt, Robert	5.5	\$357.22	\$1,964.71
05/07/2012 -	Review and edit Murphy testimony and gas tariffs; prepare for meeting	Watt, Robert	2	\$357.22	\$714.44
05/07/2012 -	Call re: rate case issues	Thacker, Chris	0.5	\$198.00	\$99.00
05/07/2012 -	Work on testimony.	Dunn, Barry	1.3	\$180.00	\$234.00
05/07/2012 -	Work on Scott, Charnas, Murphy and Blake testimonies	Braun, Monica	5.7	\$184.50	\$1,051.65
05/07/2012 -	Work on testimony and regulatory issues.	Riggs, Kendrick	6	\$357.22	\$2,143.32
05/08/2012 -	Attend meetings at LG&E/KU with witnesses re testimony; work on testimony and regulatory issues.	Riggs, Kendrick	5.5	\$357.22	\$1,964.71
05/08/2012 -	Attend Hermann testimony meeting; work on testimony	Braun, Monica	5.8	\$184.50	\$1,070.10
05/08/2012 -	Work on pro forma adjustment analysis	Thacker, Chris	0.7	\$198.00	\$138.60
05/08/2012 -	Work on testimony.	Crosby, III, W. Duncan	0.8	\$224.84	\$179.87

05/08/2012 -	Send testimony and tariff to Murphy; examine revisions to DGGS related tariffs	Watt, Robert	0.5	\$357.22	\$178.61
05/09/2012 -	Work on testimony, application, statutory notice.	Dunn, Barry	6	\$180.00	\$1,080.00
05/09/2012 -	Work on Scott, Charnas testimonies and related issues	Braun, Monica	4.1	\$184.50	\$756.45
05/09/2012 -	Meeting with client re tariff changes for rate case.	Crosby, III, W. Duncan	3.6	\$224.84	\$809.42
05/09/2012 -	Work on testimony; attend meetings at LG&E/KU with witnesses re testimony and regulatory issues.	Riggs, Kendrick	8.2	\$357.22	\$2,929.20
05/09/2012 -	Analysis re tariff and regulatory issues	Eversole, Deborah	0.4	\$316.35	\$126.54
05/10/2012 -	Analysis of regulatory and tariff issues	Eversole, Deborah	0.4	\$316.35	\$126.54
05/10/2012 -	Research for memo re tariff issue.	Crosby, III, W. Duncan	2.7	\$224.84	\$607.07
05/10/2012 -	Prepare for and attend meetings at LG&E/KU re witness testimony; follow-up on same.	Riggs, Kendrick	4.5	\$357.22	\$1,607.49
05/10/2012 -	Attend Thompson and Blake review meetings; work on testimony and issues related to same	Braun, Monica	9.5	\$184.50	\$1,752.75
05/11/2012 -	Planning meeting with Mr. Crosby and Mr. Riggs re potential options on tariffing, and rate issues; review and revise proposed outline	Eversole, Deborah	3.6	\$316.34	\$1,138.82
05/11/2012 -	Telephone conference with Mr. Dunn re: electronic case; email re: same	Ingram, III, Lindsey	0.4	\$286.15	\$114.46
05/11/2012 -	Work on testimony.	Riggs, Kendrick	7.7	\$357.22	\$2,750.59
05/11/2012 -	Work on testimony and research related to adjustments	Braun, Monica	5.2	\$184.50	\$959.40
05/11/2012 -	Draft pleadings and testimony.	Dunn, Barry	4.3	\$180.00	\$774.00
05/11/2012 -	Research and draft of outline for memo re tariff issue.	Crosby, III, W. Duncan	5.7	\$224.84	\$1,281.59
05/13/2012 -	Draft notices and application.	Dunn, Barry	2.5	\$180.00	\$450.00
05/14/2012 -	Revise outline re regulatory and tariff issues; add citations; conference call re issues in case	Eversole, Deborah	0.9	\$316.34	\$284.71
05/14/2012 -	Draft pleadings for case. Attend review meetings at Company.	Dunn, Barry	7.2	\$180.00	\$1,296.00
05/14/2012 -	Review Spanos testimony; conference call re pending matters	Watt, Robert	1.5	\$357.22	\$535.83
05/14/2012 -	Meetings with client re Bellar and Conroy testimony drafts.	Crosby, III, W. Duncan	3.9	\$224.84	\$876.88
05/14/2012 -	Work on Hermann and Thompson testimonies	Braun, Monica	5.4	\$184.50	\$996.30
05/14/2012 -	Work on testimony.	Riggs, Kendrick	3.8	\$357.22	\$1,357.44
05/14/2012 -	Attend status call	Ingram, III, Lindsey	0.4	\$286.15	\$114.46
05/15/2012 -	Work on testimony.	Riggs, Kendrick	10.1	\$357.22	\$3,607.92
05/15/2012 -	Work on Hermann, Thompson and Scott testimonies	Braun, Monica	6.1	\$184.50	\$1,125.45
05/15/2012 -	Work on memo re tariff issue.	Crosby, III, W. Duncan	2.3	\$224.84	\$517.13
05/16/2012 -	Draft of memo re tariff issue.	Crosby, III, W. Duncan	4.6	\$224.84	\$1,034.26
05/16/2012 -	Work on Thompson and Blake testimonies	Braun, Monica	7.9	\$184.50	\$1,457.55
05/16/2012 -	Work on testimony.	Riggs, Kendrick	4.3	\$357.22	\$1,536.05
05/16/2012 -	Communicate with external witness; attention to e-filing issues	Ingram, III, Lindsey	0.6	\$286.17	\$171.70
05/17/2012 -	Revisions to draft testimony.	Crosby, III, W. Duncan	3.1	\$224.84	\$697.00
05/17/2012 -	Work on Thompson, Blake, Staffieri, Scott and Charnas testimonies	Braun, Monica	8.4	\$184.50	\$1,549.80
05/17/2012 -	Review various letters, notices and spreadsheets	Ingram, III, Lindsey	0.8	\$286.16	\$228.93
05/17/2012 -	Edit memorandum re regulatory and tariff issues	Eversole, Deborah	0.5	\$316.34	\$158.17
05/17/2012 -	Work on testimonies and pleadings.	Dunn, Barry	8.7	\$180.00	\$1,566.00
05/17/2012 -	Examine and edit application; review Spanos testimony and prepare for conference call	Watt, Robert	1.5	\$357.22	\$535.83
05/17/2012 -	Work on testimony.	Riggs, Kendrick	10.2	\$357.22	\$3,643.64
05/18/2012 -	Work on Testimony drafts	Thacker, Chris	2.4	\$198.00	\$475.20

DATE	DESCRIPTION	ATTORNEY	HOURS	WORTH	TOTAL
05/18/2012	Efforts re: electronic case	Ingram, Ill, Lindsey	0.5	\$286.16	\$143.08
05/18/2012	Confer with Mr. Riggs and Mr. Crosby re additional issues for tariff memorandum; research; draft new sections of memorandum; review, edit other attorneys' additions to memorandum	Eversole, Deborah	4.8	\$316.34	\$1,518.43
05/18/2012	Work on pleadings and testimonies	Riggs, Kendrick	9	\$357.22	\$3,214.98
05/18/2012	Conference call with Spanos et al; examine and edit application	Dunn, Barry	5	\$180.00	\$900.00
05/18/2012	Work on testimony and send to client	Watt, Robert	1.5	\$357.22	\$535.83
05/18/2012	Revisions to draft testimony; revisions to draft memo re tariff issue.	Braun, Monica	3.3	\$184.50	\$608.85
05/18/2012	Conference call re status of pending matters; review file re PSC orders on ratemaking adjustments; examine newspaper notice, e-mail re same	Crosby, Ill, W. Duncan	4.9	\$224.84	\$1,101.72
05/21/2012	Attend status meeting; prepare for electronic filing meeting	Watt, Robert	1.5	\$357.22	\$535.83
05/21/2012	Rate case update meeting.	Ingram, Ill, Lindsey	0.8	\$286.16	\$228.93
05/21/2012	Discuss outstanding issues with rate case; review documents related to same	Crosby, Ill, W. Duncan	1	\$224.84	\$224.84
05/21/2012	Case preparation.	Braun, Monica	1	\$184.50	\$184.50
05/21/2012	Attend status meeting re rate case issues	Dunn, Barry	0.7	\$180.00	\$126.00
05/21/2012	Work on testimony issues.	Eversole, Deborah	0.5	\$316.34	\$158.17
05/22/2012	Attention to testimony issues; work on testimony.	Riggs, Kendrick	1.5	\$357.22	\$535.83
05/22/2012	Meeting with client re tariff issues; revisions to memo re same; meeting with client re electronic filing.	Riggs, Kendrick	6.5	\$357.22	\$2,321.93
05/22/2012	Work on testimonies. Research rate case issues.	Crosby, Ill, W. Duncan	5.2	\$224.84	\$1,169.17
05/22/2012	Review and comment on revisions to tariff memorandum	Dunn, Barry	8.2	\$180.00	\$1,476.00
05/22/2012	Prepare for, travel to and attend meeting in Louisville re: electronic filing issues	Eversole, Deborah	0.3	\$316.33	\$94.90
05/23/2012	Teleconference with Messrs. Arbough, Conroy and Leichthy.	Ingram, Ill, Lindsey	4.5	\$286.16	\$1,287.72
05/23/2012	Attention to testimony issues and other matters and drafting issues.	Dunn, Barry	0.3	\$180.00	\$54.00
05/23/2012	Work on issues related to the Hermann testimony	Riggs, Kendrick	0.8	\$357.23	\$285.78
05/23/2012	Examine Gas Line Program memo	Braun, Monica	1.1	\$184.50	\$202.95
05/24/2012	Analysis re procedural issues; draft language re tariff effective dates	Watt, Robert	0.4	\$357.23	\$142.89
05/24/2012	Work on testimony and application issues.	Eversole, Deborah	1.6	\$316.34	\$506.14
05/24/2012	Work on application and notice issues	Riggs, Kendrick	5.7	\$357.22	\$2,036.15
05/24/2012	Revisions to draft tariffs.	Watt, Robert	0.8	\$357.23	\$285.78
05/25/2012	Examine draft gas tariff	Crosby, Ill, W. Duncan	1.3	\$224.84	\$292.29
05/25/2012	Revise applications and notices to include language re tariff effective dates	Watt, Robert	0.5	\$357.22	\$178.61
05/25/2012	Revisions to draft tariffs.	Eversole, Deborah	0.7	\$316.34	\$221.44
05/25/2012	Work on testimony and application issues; attention to emails re same.	Crosby, Ill, W. Duncan	1.3	\$224.84	\$292.29
05/27/2012	Work on Thompson and Blake testimonies; work on exhibits to Hermann testimony	Riggs, Kendrick	5.5	\$357.22	\$1,964.71
05/28/2012	Work on testimony and application issues; attention to emails from client re same.	Braun, Monica	2.3	\$184.50	\$424.35
05/28/2012	Work on various issues related to testimony and tariffs	Riggs, Kendrick	4	\$357.22	\$1,428.88
05/29/2012	Work on tariffs; work on issues related to testimony	Braun, Monica	2.4	\$184.50	\$442.80
05/29/2012		Braun, Monica	2.1	\$184.50	\$387.45

05/29/2012	-	Analysis of, and revisions to, draft tariffs.	Crosby, III, W. Duncan	9.4	\$224.84	\$2,113.50
05/29/2012	-	Consider electronic case issues	Ingram, III, Lindsey	0.2	\$286.15	\$57.23
05/29/2012	-	Research and review company documents. Draft pleadings.	Dunn, Barry	2.1	\$180.00	\$378.00
05/29/2012	-	Work on testimonies and regulatory issues.	Riggs, Kendrick	9	\$357.22	\$3,214.98
05/29/2012	-	Conference call re status of pending matters; examine and edit Gas Line Program document; examine and edit newspaper notices; examine and edit applications.	Watt, Robert	4	\$357.22	\$1,428.88
05/30/2012	-	Conference call with client re Gas Line Tracker, Riser Replacement program, Leak Mitigation Project; examine Spanos testimony.	Watt, Robert	3	\$357.22	\$1,071.66
05/30/2012	-	Attend numerous meetings at LG&E/KU re testimonies and cost of service.	Riggs, Kendrick	10	\$357.22	\$3,572.20
05/30/2012	-	Meetings with client re various rate case issues; revisions to tariff provisions.	Crosby, III, W. Duncan	7.5	\$224.84	\$1,686.30
05/30/2012	-	Attend meetings regarding drivers and the proposed tracker; work on Hermann testimony	Braun, Monica	3.4	\$184.50	\$627.30
05/30/2012	-	Alalysis of gas riser mechanism, precedents, and cost-effective energy efficiency resources	Eversole, Deborah	1	\$316.34	\$316.34
05/30/2012	-	Work on rate case pleadings.	Dunn, Barry	1.5	\$180.00	\$270.00
05/31/2012	-	Work on Hermann testimony	Braun, Monica	1.9	\$184.50	\$350.55
05/31/2012	-	Meetings with client re various rate case issues.	Crosby, III, W. Duncan	6.5	\$224.84	\$1,461.46
05/31/2012	-	Review Spanos, Bellar and Hermann testimonies; e-mail re same; telephone Spanos; e-mail re gas line tracker and Admin Case 2008-00408	Watt, Robert	2.5	\$357.22	\$893.05
05/31/2012	-	Work on testimonies; numerous meetings re cost of service and revenue allocation.	Riggs, Kendrick	11	\$357.22	\$3,929.42
05/31/2012	-	Pleadings. Research intervention.	Dunn, Barry	6.1	\$180.00	\$1,098.00
05/31/2012	-	Analysis of treatment of cost-effective energy efficiency resources in filing; review edits.	Eversole, Deborah	2.9	\$316.34	\$917.39
04/04/2012	E105 - Telephone	Conference Call Expense	Riggs, Kendrick	1	\$13.36	\$13.36
05/02/2012	E106 - Online Research	Lexis Charges	Thacker, Chris	1	\$85.80	\$85.80
05/02/2012	E106 - Online Research	Lexis Charges	Thacker, Chris	1	\$47.19	\$47.19
05/02/2012	E106 - Online Research	Lexis Charges	Eversole, Deborah	1	\$52.65	\$52.65
05/07/2012	E101 - Copying	Color Replication		37	\$0.08	\$2.96
05/07/2012	E105 - Telephone	Telephone Expense 1(717)763-7211; 4 Mins.	Watt, Robert	1	\$0.40	\$0.40
05/07/2012	E101 - Copying	Color Replication		26	\$0.08	\$2.08
05/07/2012	E101 - Copying	Color Replication		3	\$0.08	\$0.24
05/07/2012	E105 - Telephone	Conference Call Expense	Riggs, Kendrick	1	\$13.36	\$13.36
05/08/2012	E105 - Telephone	Telephone Expense 1(512)458-4644; 2 Mins.	Ingram, III, Lindsey	1	\$0.20	\$0.20
05/11/2012	E110 - Out-of-town Travel	Lodging, parking and etc. parking 5/7 VENDOR: Watt, Robert M; INVOICE#: 51112; DATE: 5/11/2012	Watt, Robert	1	\$6.00	\$6.00
05/11/2012	E110 - Out-of-town Travel	Long distance transportation, mileage louisville 5/7 VENDOR: Watt, Robert M; INVOICE#: 51112; DATE: 5/11/2012	Watt, Robert	1	\$77.70	\$77.70
05/11/2012	E105 - Telephone	Conference Call Expense	Riggs, Kendrick	1	\$9.95	\$9.95
05/11/2012	E110 - Out-of-town Travel	Lodging, parking and etc. parking for 2 days VENDOR: Braun, Monica; INVOICE#: 51112; DATE: 5/11/2012	Braun, Monica	1	\$12.00	\$12.00
05/11/2012	E110 - Out-of-town Travel	Long distance transportation, mileage 2 trips to louisville VENDOR: Braun, Monica; INVOICE#: 51112; DATE: 5/11/2012	Braun, Monica	1	\$177.60	\$177.60

05/14/2012	E101 - Copying	Duplicating Charges		14	\$0.08	\$1.12
05/16/2012	E105 - Telephone	Telephone Expense 1(512)923-2790; 1 Mins.	Ingram, III, Lindsey	1	\$0.10	\$0.10
05/17/2012	E105 - Telephone	Telephone Expense 1(512)799-6994; 2 Mins.	Ingram, III, Lindsey	1	\$0.20	\$0.20
05/22/2012	E106 - Online Research	Lexis Charges	Dunn, Barry	1	\$31.20	\$31.20
05/30/2012	E109 - Local Travel	Local Transportation; Mileage Reimburse 5/30/12 parking at LG&E for meeting VENDOR: Riggs, Kendrick R; INVOICE#: 060112; DATE: 6/1/2012	Riggs, Kendrick	1	\$8.00	\$8.00
05/31/2012	E109 - Local Travel	Local Transportation; Mileage Reimburse 5/31/12 parking at LG&E for meeting VENDOR: Riggs, Kendrick R; INVOICE#: 060112; DATE: 6/1/2012	Riggs, Kendrick	1	\$6.00	\$6.00

INVOICE

Project: 054381

Date: June 25, 2012

LG&E and KU Services Company
Attn: Sara Wiseman, Manager Property Accounting
P.O. Box 32010
Louisville, KY 40232

GANNETT FLEMING, INC.
VALUATION AND RATE DIVISION

Send check payments to:
Gannett Fleming Companies
P.O. Box 020160
Philadelphia, PA 19102-0160

P.O. BOX 07100
HARRISBURG, PA 17100-7100
(717) 763-7211

Send ACH/EFT payments to:
ABA: 031312738
Acct No: 6003105055
Acct Name: Gannett Fleming Companies

Federal E.I.N. 251613591



Invoice: 054381*1205051

Invoice Period: May 5, 2012 through June 1, 2012

Contract No. 53159 - Rate Case

Summary of Current Charges

Phase 100	- KENTUCKY UTILITIES	\$	452.50 ✓
Phase 200	- LG&E ELECTRIC		42.50 ✓
	Total Charges		\$ 495.00 ✓
	Total Due This Invoice		\$495.00 ✓

Leg
90841
7/2/12

PO# 64534
Debbie Hillert 7/3/12

Project:	Task:	Exp	Exp	Amount
		Type:	Org:	
118327	RATE CASE 2012	314	02/01/20	\$ 452.50 ✓
118326	RATE CASE 2012	314	02/01/20	\$ 31.45
118326	RATE CASE 2012	314	02/01/20	\$ 11.05

OK to pay
Sara Wiseman

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ACCOUNTS PAYABLE

Project Manager: John J. Spanos

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GANNETT FLEMING, INC.
VALUATION AND RATE DIVISION

Invoice Date: June 25, 2012
 Invoice No: 054381*1205051

Project: 054381 LG&E and KU Services Company

Phase 100 -- Kentucky Utilities

<u>Labor Costs</u> <u>Labor Classification</u>	<u>Hours</u>	<u>Rate</u>	<u>Amount</u>
John J. Spanos	2.00	\$ 205.00 ✓	\$ 410.00 ✓
Support Staff	0.50	85.00 ✓	42.50 ✓
Total Labor Costs			\$ 452.50 ✓
Total Phase -- 100			\$ 452.50 ✓

Phase 200 -- LG&E Electric

<u>Labor Costs</u> <u>Labor Classification</u>	<u>Hours</u>	<u>Rate</u>	<u>Amount</u>
Support Staff	0.50	\$ 85.00 ✓	\$ 42.50 ✓
Total Labor Costs			\$ 42.50 ✓
Total Phase -- 200			\$ 42.50 ✓

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Gannett Fleming, Inc. Expenditures
by Project Number and Task

	Phase 100 KU Electric	Phase 200 LGE Electric	Phase 300 LGE Gas	Phase 400		
				LGE Common Electric 21.00%	LGE Common Gas 29.00%	
Project Number	118327	118326	118326	118326	118326	
Task	RATE CASE 2012 E	RATE CASE 2012 E	RATE CASE 2012 G	RATE CASE 2012 E	RATE CASE 2012 G	
Depreciation Study						
Date	Apr-12	Apr-12	Apr-12	Apr-12	Apr-12	
Amount	4,760.00	5,900.00	2,110.00	603.50	246.50	
Date	May-12	May-12	May-12	May-12	May-12	
Amount*	452.50	31.45	11.05	-	-	
Date						
Amount						
Date						
Amount						
Date						
Amount						
Date						
Amount						
Date						
Amount						
Total	5,212.50	5,931.45	2,121.05	603.50	246.50	
Grand Total						<u>14,115.00</u>

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* The \$42.50 was split in order to reflect the same percentage split that occurred in April.

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(512) 458-4644

FINANCIAL CONCEPTS AND APPLICATIONS, INC.

3907 RED RIVER
AUSTIN, TEXAS 78751

fincap@texas.net
Fax (512) 458-4768

June 30, 2012

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Mr. Robert Conroy
Director - Rates
LG&E and KU Services Company
P.O. Box 32010
Louisville, Kentucky 40232

ACCOUNTS PAYABLE

Reference No.: 01856 063012
Taxpayer ID No.: 74-2058652

Consulting Services:

Research, Analysis, and Testimony
Preparation in Connection with Rate
Case before the Kentucky Public Ser-
vice Commission pursuant to Con-
tract No. 62686. (For the Period June
1, 2012 through June 30, 2012).

Professional Time:

William E. Avera	
3 hours	\$ 1,200
Adrien M. McKenzie	
39½ hours	10,862

Total

\$ 12,062

Approved PO# 65016

Robert M. Conroy

Robert M. Conroy
Director - Rates
LG&E and KU Energy, LLC

Bruce H. Fairchild

Bruce H. Fairchild

■ The Prime Group ■

Invoice for Services Rendered

Invoice Date: July 2, 2012

Invoice Number 72012-1

To: LG&E
P.O. Box 32010
Louisville, KY 40232

Attn: Mr. Robert Conroy

4.5 hours of consulting work by Larry Feltner @ \$150.00/hr performed during June for providing assistance in preparing rate cases for LG&E and KU. \$ 675.00

67.0 hours of consulting work by Jeff Wernert @ \$150.00/hr performed during June for providing assistance in preparing rate cases for LG&E and KU. \$ 10,050.00

Expenses

Parking for Wernert \$ 48.00
Meals for Wernert \$ 62.74

Total due for work performed in June \$ 10,835.74

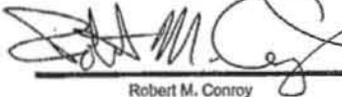
Please remit payment to: The Prime Group, LLC
P.O. Box 837
Crestwood, KY 40014-0837

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JUL 16 2012

ACCOUNTS PAYABLE

Approved: PO# 64745



Robert M. Conroy
Director - Rates
LG&E and KU Energy, LLC

The Prime Group, LLC
P. O. Box 837 • Crestwood, KY • 40014-0837
Phone 502-425-7882 FAX 502-326-9894

■ The Prime Group ■

July 2, 2012

LG&E
Attn: Robert Conroy
P.O. Box 32010
Louisville, KY 40232

Dear Robert:

Enclosed is an invoice for the additional work that The Prime Group performed during June for providing assistance in preparing rate cases for LG&E and KU. Thanks for the opportunity to work with you on these projects.

Sincerely,

Marty Blake
Principal

Cc: Joan Henry

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JUL 16 2012
ACCOUNTS PAYABLE

The Prime Group, LLC
P. O. Box 837 • Crestwood, KY • 40014-0837
Phone 502-425-7882 FAX 502-326-9894