

COMMONWEALTH OF KENTUCKY
BEFORE THE PUBLIC SERVICE COMMISSION

In The Matter of:

**AN ADJUSTMENT OF THE ELECTRIC
RATES, TERMS AND CONDITIONS OF
KENTUCKY UTILITIES COMPANY**

CASE NO. 2003-00434

SUPPLEMENTAL DATA REQUESTS
OF
THE KROGER CO.

RECEIVED

MAR 01 2004

The Kroger Co. requests the applicant, Kentucky Utilities Company, to respond to the Supplemental Data Requests in accordance with the Order of Procedure entered herein on January 14, 2004.

DEFINITIONS

1. "Document(s)" is used in its customary broad sense and includes all written, typed, printed, electronic, computerized, recorded or graphic statements, communications or other matter, however produced or reproduced, and whether or not now in existence, or in your possession.
2. "Study" means any written, recorded, transcribed, taped, filmed, or graphic matter, however produced or reproduced, either formally or informally, on a particular issue or situation, in whatever detail, whether or not the consideration of the issue or situation is in a preliminary stage, and whether or not the consideration was discontinued prior to completion.
3. If any document requested herein was at one time in existence, but has been lost, discarded or destroyed, identify such document as completely as possible, including the type of document, its date, the date or approximate date it was lost, discarded or destroyed, the identity of the person (s) who last had possession of the document and the identity of all persons having knowledge of the contents thereof.

4. "You" or "your" means the person whose filed testimony is the subject of these requests and, to the extent relevant and necessary to provide full and complete answers to any request, "you" or "your" may be deemed to include any person with information relevant to any request who is or was employed by or otherwise associated with the witness or who assisted, in any way, in the preparation of the witness' testimony.

5. "KU" means Kentucky Utilities Company, and/or any of their officers, directors, employees or agents who may have knowledge of the particular matter addressed.

INSTRUCTIONS

1. The Requests shall be deemed continuing so as to require prompt further and supplemental production if at any time during this proceeding in the event you locate or obtain possession, custody or control of additional responsive documents.

2. Any studies, documents, or other subject matter not yet completed that will be relied upon during the course of this proceeding should be provided as soon as they are completed. You are obliged to change, supplement and correct all answers to these Requests to conform to available information, including such information as it first becomes available to you after the answers hereto are served.

3. Unless otherwise expressly provided, each interrogatory should be construed independently and not with reference to any other interrogatory herein for purpose of limitation.

4. The answers should identify the person(s) supplying the information.

5. Please answer each designated part of each information request separately. If you do not have complete information with respect to any interrogatory, so state and give as much information as you do have with respect to the matter inquired about, and identify each person whom you believe may have additional information with respect thereto.

Supplemental Data Requests of the Kroger Co.

1. Kroger First Data Request, Item 5, requests the provision of tables showing the revenue requirements and percentage increases necessary to bring each customer class to the requested retail rate of return. Instead of providing the requested tables, KU directed Kroger to the electronic version of the COS study (Seelye Exhibits 18 and 19).

(a) Is it the gist of KU's response that KU has not done this analysis, but that the electronic version of the COS study is available so that Kroger can perform this analysis itself?

(b) Does KU believe that analyzing the revenue requirements and percentage increase necessary to bring each customer class to the requested retail rate of return is an important aspect of proposing rate increases for customers? If no, please explain why not.

(c) If yes, please explain why KU apparently has not performed such analysis, except for the residential class.

(d) If KU has performed such analysis for classes other than the residential class, please provide it as requested in Item 5.

2. Please provide retail system fuel and purchased power expenses, along with associated retail MWH, for each month of the test period. Please separate this information into peak and off-peak periods, as these terms are defined in the proposed LCI-TOD rate schedule. If peak and off-peak data are not available as requested, please indicate KU's best estimate of the average fuel/purchased power cost per MWH for the on-peak period and for the off-peak period, and provide the basis for that estimate.

3. (a) Please explain how each of the adjustment factors listed below operates and explain the interaction, if any, between each adjustment factor and base rates, as the latter are re-set pursuant to the general rate case. For example, please indicate whether any of the adjustment factors are re-set to a new baseline as part of the general rate case.

(b) Please show the monthly charge and revenue requirement for each of the listed adjustment factors for the test period and for the 12 months preceding the test period.

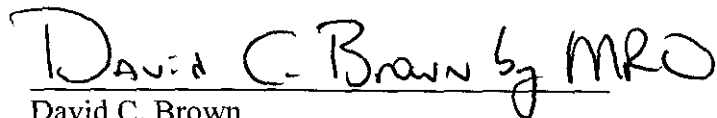
(c) Please indicate whether KU is proposing any changes to any of the listed adjustment factors to be in effect during the rate-effective period, or whether any such changes would occur as a result of any KU recommendations in the general rate case. If so, please indicate the expected change in adjustment factor rates.

Adjustment factors: FAC, ECR, ESM.

4. Regarding the KU response to Staff Second Data Request, Item 8(c), please explain (a) the “correction factor” shown in the table and (b) the meaning of “Fuel Clause Billings – proforma for rollin” shown in the table.

5. Regarding the proposed elimination of the HLF rate schedule, please provide any analysis of the rate impacts on current HLF customers as they move to the appropriate alternative rates.

Respectfully submitted,



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CERTIFICATE

I hereby certify that a copy of the foregoing was served by email on counsel for the Applicant and by mailing a true and correct copy, by regular U.S. mail to counsel for the Applicant and all parties on this the 1st day of March, 2004:

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