

**KENERGY CORP.
 RESPONSE TO THE COMMISSION'S
 FIRST DATA REQUEST FOR INFORMATION OF DECEMBER 9, 2004**

CASE NO. 2004-00446

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Item 36) Provide the following information concerning the costs for the preparation of this case:

a. A detailed schedule of costs incurred to date. Include the date of the transaction, check number or other document reference, the vendor, amount, a description of the services performed, and the account number in which the expenditure was recorded. Indicate any costs incurred for this case during the test year. Include copies of invoices received from the vendors.

b. An itemized estimate of the total cost to be incurred, detailed explanation of how the estimate was determined, and all supporting work papers and calculations.

c. Monthly updates of the actual costs incurred during the course of this proceeding, in the manner prescribed above.

Response 36a) Item 36, pages 3 – 20 of 20, contain the information referenced in 36a.

Response 36b) The total estimated cost is \$182,000, determined as follows:

	Thru <u>11/30/04</u>	12/1/04 <u>thru completion</u>	Estimated <u>Total</u>
Staff Labor & Overheads	\$54,420.13	\$60,579.87	\$115,000
JDG Consulting LLC	16,058.74	8,941.26	25,000
Dorsey, King, Gray, Norment & Hopgood (legal)	3,625.00	26,375.00	30,000
Other	<u>279.27</u>	<u>11,720.73</u>	<u>12,000</u>
	<u>\$74,383.14</u>	<u>\$107,616.86</u>	<u>\$182,000</u>

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2 The estimated total was derived from the costs incurred during Case No. 2003-00165, less the
3 estimated expense for preparing the Cost of Service Study not required in this proceeding.

4 **Response 36c)** Updates will be forwarded monthly.

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6 **Witness)** Steve Thompson

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2004 RATE CASE COSTS

	Jun-04	Jul-04	Aug-04	Sep-04	Oct-04	Nov-04	TOTAL
Labor & Overheads	\$ 11,062.04	\$ 7,511.05	\$ 11,759.20	\$ 6,796.52	\$ 2,430.10	\$ 6,925.54	\$ 46,484.45
Allocated Common/Joint Costs	\$ 1,111.16	\$ 1,276.34	\$ 2,692.39	\$ 936.76	\$ 588.08	\$ 1,330.95	\$ 7,935.68
Cash Disbursements	\$ 770.35	\$ 175.00	\$ 4,725.00	\$ 5,141.87	\$ 4,276.70	\$ 4,874.09	\$ 19,963.01
Monthly Total	\$ 12,943.55	\$ 8,962.39	\$ 19,176.59	\$ 12,875.15	\$ 7,294.88	\$ 13,130.58	\$ 74,383.14
Accumulated Total	\$ 12,943.55	\$ 21,905.94	\$ 41,082.53	\$ 53,957.68	\$ 61,252.56	\$ 74,383.14	

KENERGY

CASE NO. 2004-00446
Through 11/30/04

Line No	Control Number	Vendor Name	Description	Distr. Month	Date Paid	Check Number	Dollar Amount	Legal	Rate Design	Advertising	Acctng	Other
1	178711	Dorsey, King, Gray & Normont	Legal expense	May-04	6/10/04	16411	\$ 625.00	625.00				
2							\$ 625.00	\$	-	\$	-	\$
3												
4	178928	RS Ruggles & Co Inc	Office supplies	Jun-04	7/2/04	17075	\$ 125.39					125.39
5	179755	Steve Thompson, Custodian	Meeting expense	Jun-04	7/2/04	17089	\$ 19.96					19.96
6							\$ 145.35	\$	-	\$	-	\$ 145.35
7												
8	181208	JDG Consulting LLC	Rate design	Jul-04	7/30/04	17855	\$ 175.00		175.00			
9							\$ 175.00	\$	-	\$	-	\$
10												
11	181932	JDG Consulting LLC	Rate design	Aug-04	8/20/04	18363	\$ 4,725.00		4,725.00			
12							\$ 4,725.00	\$	-	\$	-	\$
13												
14	183291	JDG Consulting LLC	Rate design	Sep-04	9/10/04	19276	\$ 5,031.25		5,031.25			
15	185897	Dorsey, King, Gray & Normont	Legal expense	Sep-04	10/8/04	21134	\$ 906.25	906.25				
16	185151	Visa	Meeting expense	Sep-04	10/1/04	21002	\$ 34.00					34.00
17	185152	Visa	Meeting expense	Sep-04	10/1/04	21002	\$ 76.62					76.62
18							\$ 6,048.12	\$	906.25	\$	5,031.25	\$ 110.62
19												
20	186182	JDG Consulting LLC	Rate design	Oct-04	10/15/04	21382	\$ 3,352.45		3,352.45			
21	187255	Petty Cash	Meeting expense	Oct-04	11/5/04	22145	\$ 18.00					18.00
22							\$ 3,370.45	\$	-	\$	-	\$ 18.00
23												
24	187421	JDG Consulting LLC	Rate design	Nov-04	11/12/04	22223	\$ 2,775.04		2,775.04			
25	189175	Dorsey, King, Gray & Normont	Legal expense	Nov-04	12/17/04	23225	\$ 2,093.75	2,093.75				
26		Adjusting entry	Postage	Nov-04			\$ 5.30					5.30
27							\$ 4,874.09	\$	2,093.75	\$	2,775.04	\$ 5.30
28							\$ 19,963.01	\$	3,625.00	\$	16,058.74	\$ 279.27
29												

Kenergy Corp.
Post Office Box 18
Henderson, Kentucky 42419-0018

June 1, 2004

DORSEY, KING, GRAY, NORMENT & HOPGOOD

ATTORNEYS-AT-LAW

318 SECOND STREET

HENDERSON, KENTUCKY 42420

I.D. No. 610462803

Re: PSC Case No. 2004-00446
Rate Case

TO FEE: For services rendered during May 2004 as follows:

<u>2004</u>		<u>HOURS</u>
5/27	Office conference with Dean Stanley, Mark A. Bailey and Steve Thompson in Owensboro;	5.00
	FEE for services rendered (5 hours @ \$125.00)	\$625.00



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R.S. RUGGLES & CO. INC.
 303 W. CRESCENT AVE. • BOX 213
 ALLLENDALE, NJ 07401
 201-934-1230 • 800-526-0863
 FAX 201-934-7234

INVOICE NO.	190485
CUSTOMER NO.	KENERGY01

INVOICE

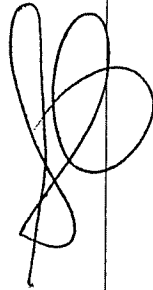
BILL TO:
Kenergy Corp
 Attn: Benita
 PO Box 1389
 Owensboro, KY 42302-1389

SHIP TO
Kenergy Corp
 Attn: Benita
 3111 Fairview Drive
 Owensboro, KY 42303

Telephone: 270-926-4141

Warehouse : MAIN

DATE	SHIP VIA	F.O.B.	TERMS	
06/10/04	UPS GROUND	Allendale, NJ	Net 30	
PURCHASE ORDER NUMBER	ORDER DATE	SALESPERSON	RESALE NUMBER	OUR ORDER NUMBER
	06/10/04	DAN		
QUANTITY	ITEM NUMBER	UNIT PRICE	EXTENDED PRICE	
ORDERED	SHIPPED	ITEM DESCRIPTION	PRICE	
600	600	* N105S11 NUMERICAL SIDE INDEX SHEET 11 X 8.5 250 Each 1 250 Each 2 30 Each 3 50 Each 4	0.140 84.00 C	
8	8	* IR11-B INDIVIDUAL REVERSIBLE INDEX SHEET 25/PACK 11 X 8 1/2 2 Each A thru D	3.350 26.80 C	
		186.3	125.39	
		241	(6.65)	
		tax on 110.80		
NON TAXABLE	* TAXABLE	SALES TAX	FREIGHT	INVOICE TOTAL
0.00	110.80 C		7.94 C	118.74 C
Item 36		APPLIED CREDIT	TOTAL PAID	BALANCE DUE
Amount due is based on terms above.			0.00	118.74



VOUCHERED

186 ?
 2004 rate
 call
 Account

FK

PETTY CASH RECEIPT



Date: 6/23/04

Received from _____ \$ 19.96 ~~FX~~

DOLLARS

For 2004 Rate Case Meeting - Doughnuts

Approved _____

Signed [Signature]
AT-23 (Revised 12/99)

Jeffery
 THE DONUT BANK BAKERY
 NEWBURGH
 ORDER # 0217
 3 DOZ GLAZED 14.97
 1 DOZEN ASSQRT 4.99
~~SUBTOTAL~~ \$ 19.96
 TOTAL \$ 19.96
 CASH \$ 20.01
 CHANGE \$ 0.05
 0018 REG 02 LINDA JUN.23,04 06:15

X:.....

VOUCHERED

ACCOUNT NO.		DISTRIBUTION	AMOUNT
186.3	<input checked="" type="checkbox"/>		
TOTAL			

VOUCHERED

JDG Consulting, LLC

P.O Box 88039
Dunwoody, Georgia 30356
770-392-9971

Kenergy Corp
Attn: Steve Thompson
6402 Old Corydon Road
Owensboro, KY 42302-1389

Remit to:
JDG Consulting, LLC
P.O. Box 88039
Dunwoody, Ga. 30356

Invoice Date: July 1, 2004

Project Number: 09-065-002

Invoice Number: 1

Service Period: 6/1/2004 through 6/30/2004

2004 Retail Rate Case:

Labor	\$	175.00
Subsistance	\$	-
Transportation	\$	-
Shipping	\$	-
Total	\$	175.00

ok
SO
186.300

PAYMENT DUE UPON RECEIPT OF INVOICE

THANK YOU

JDG Consulting, LLC

P.O Box 88039

Dunwoody, Georgia 30356

770-392-9971

Kenergy Corp
Attn: Steve Thompson
3111 Fairview Dr.
Owensboro, KY 42303

Remit to:
JDG Consulting, LLC
P.O. Box 88039
Dunwoody, Ga. 30356

Invoice Date: August 1, 2004

Project Number: 09-065-002

Invoice Number: 2

Service Period: 7/1/2004 through 7/31/2004

2004 Retail Rate Case:

Labor	\$	4,725.00
Subsistance	\$	-
Transportation	\$	-
Shipping	\$	-
Total	\$	4,725.00

186,300
\$0

PAYMENT DUE UPON RECEIPT OF INVOICE

THANK YOU

JDG Consulting, LLC

Specializing in Utility Rates and Financial Services

JDG Consulting, LLC

P.O Box 88039
Dunwoody, Georgia 30356
770-392-9971

Kenergy Corp
Attn: Steve Thompson
3111 Fairview Dr.
Owensboro, KY 42303

Remit to:
JDG Consulting, LLC
P.O. Box 88039
Dunwoody, Ga. 30356

Invoice Date: September 1, 2004

Project Number: 09-065-002
Invoice Number: 3

Service Period: 8/1/2004 through 8/31/2004

2004 Retail Rate Case:

Labor	\$	5,031.25	C
Subsistance	\$	-	
Transportation	\$	-	
Shipping	\$	-	
Total	\$	5,031.25	FA

Rate case - 186.3

PAYMENT DUE UPON RECEIPT OF INVOICE

THANK YOU

VOUCHERED



186.3

Kenergy Corp.
Post Office Box 18
Henderson, Kentucky 42419-0018

October 1, 2004

DORSEY, KING, GRAY, NORMENT & HOPGOOD
ATTORNEYS-AT-LAW
318 SECOND STREET
HENDERSON, KENTUCKY 42420

I.D. No. 610462803

Re: PSC Case No. 2004-00446
Rate Case

TO FEE: For services rendered during September 2004 as follows:

<u>2004</u>		<u>HOURS</u>
9/1	Meeting at headquarters to discuss rate case;	6.00
9/20	Receipt and review of memo re: rate case;	.25
9/21	Receipt and review of material in rate case;	1.00
	FEE for services rendered (7.25 hours @ \$125.00)	\$906.25



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HUMAN RESTAURANT
1765 S GREEN STREET
HENDERSON, KY. 42420
270-827-2229

MERCHANT ID: 006239959
DATE: 08/14/04 11:45:16 PM

RECORD NUMBER: 010
ACCOUNT: 4408000060374552 04/04
CARD TYPE: VISA
TRAN TYPE: SALE
AUTH CODE: 005614

AMOUNT: 27.55
TIP: 4.45
TOTAL: 32.00

Paula Taylor

I AGREE TO PAY ABOVE TOTAL AMOUNT
ACCORDING TO CARD ISSUER AGREEMENT.

TIP TABLE PROVIDED FOR
YOUR CONVENIENCE

15% = \$4.43 20% = \$5.51 25% = \$7.39

BOTTOM COPY CUSTOMER-TOP COPY MERCHANT
MERCHANT COPY

*Luvell
meeting for
Juscut's Rate
case*

*Steve
Thompson
Joel Gaines
David
Hamilton*

*Ray
Adair*

186.3

WOLF'S RESTAURANT/TO
31 W GREEN ST
HENDERSON, KY 42420
THANK YOU

BATCH: 114
S-A-L-E-S D-R-A-F-T
76316016
136004069000

SERVER: 9

REF: 0005
CD TYPE: VISA
TR TYPE: MAIL/PHONE
INV:
DATE: SEP 01, 04 10:56:09

AUS: NO MATCH
AMOUNT \$76.62*

TIP

TOTAL 76.62 U

ACCT: 7409 EXP: **/**
AP: 008257

CARDMEMBER ACKNOWLEDGES RECEIPT OF GOODS
AND/OR SERVICES IN THE AMOUNT OF THE
TOTAL SHOWN HEREON AND AGREES TO PERFORM
THE OBLIGATIONS SET FORTH BY THE
CARDMEMBER'S AGREEMENT WITH THE ISSUER.

PLEASE COME AGAIN

(Cren)
CUSTOMER COPY

1863

Code 142
Rate Case Planning
mtg.
Lunch for:
J Gainer
S Thompson
M Bailey
J Masters
B Witt
K Gebhard
D Hamilton
G Ford
D Hoyt
R Pogue
FN King

OK
Jefferyland
9/1/04
(over)

JDG Consulting, LLC

P.O Box 88039
Dunwoody, Georgia 30356
770-392-9971

Kenergy Corp
Attn: Steve Thompson
3111 Fairview Dr.
Owensboro, KY 42303

Remit to:
JDG Consulting, LLC
P.O. Box 88039
Dunwoody, Ga. 30356

Invoice Date: October 1, 2004

Project Number: 09-065-002

Invoice Number: 4

Service Period: 9/1/2004 through 9/30/2004

2004 Retail Rate Case:

Labor	\$	2,625.00	C
Subsistance	\$	118.34	I
Transportation	\$	609.11	
Shipping	\$	-	
Total	\$	3,352.45	FAH

PAYMENT DUE UPON RECEIPT OF INVOICE

THANK YOU

186.3

PETTY CASH RECEIPT



Date: Oct. 6, 2004

Received from _____ \$ 18.00^c
 _____ DOLLARS

For Jack Gaines & Steve Thompson

Approved _____
 Signed Steve Thompson
 AT-23 (Revised 12/99)

DISTRIBUTION	
ACCOUNT NO.	AMOUNT
<u>186.3</u>	
TOTAL	<u>AT 18.00</u>

GUEST CHECK

Date	Table	Guests	Server	644791
------	-------	--------	--------	---------------

APPT - SOUP/SAL - ENTREE - VEG/POT - DESSERT - BEV

<u>2 Beef</u>	<u>16.00</u>
<u>TIP</u>	<u>2.00</u>
<u>JACK GAINES C (PRO)</u>	
<u>Thompson</u>	
<u>at the Q boardwalk</u>	
<u>10/5/04</u>	
<u>2004 rates applied</u>	
	Tax
	Total

Thank You — Please Come Again

JDG Consulting, LLC

P.O Box 88039

Dunwoody, Georgia 30356

770-392-9971

Kenergy Corp
Attn: Steve Thompson
3111 Fairview Dr.
Owensboro, KY 42303

Remit to:
JDG Consulting, LLC
P.O. Box 88039
Dunwoody, Ga. 30356

Invoice Date: November 1, 2004

Project Number: 09-065-002

Invoice Number: 5

Service Period: 10/1/2004 through 10/31/2004

2004 Retail Rate Case:

Labor	\$	1,662.50	C
Subsistance	\$	-	
Transportation	\$	1,112.54	C
Shipping	\$	-	
Total	\$	2,775.04	

Handwritten signature

2004 rate Application

186.3

PAYMENT DUE UPON RECEIPT OF INVOICE

THANK YOU

JDG Consulting, LLC

Specializing in Utility Rates and Financial Services

Item 36

Page 19 of 20

DORSEY, KING, GRAY, NORMENT & HOPGOOD
ATTORNEYS-AT-LAW
318 SECOND STREET
HENDERSON, KENTUCKY 42420

I.D. No. 610462803

Re. PSC Case No. 2004-00446
Rate Case

TO FEE: For services rendered October and November 2004 as follows:

2004 HOURS

10/6	Receipt and review of e-mail from Steve Thompson; telephone with Steve; ordering certificate of existence from Kentucky Secretary of State;	.50
11/8	Research; drafting notice of intent letter; revision of abbreviated public notice; fax to Mark Bailey and Steve; receipt and initial review of Jack Gaines' testimony;	2.00
11/10	Forwarding notice of intent to PSC; telephone with Debbie Hayden;	.50
11/16	Telephone with Steve; e-mail to/from Steve; further review of Jack Gaines' testimony;	1.25
11/19	Receipt and review of proposed application/exhibits from Steve; telephone with PSC;	4.00
11/24	Receipt and review of PSC order; initial draft of Marks' testimony;	2.50
11/29	Revision of Application and Exhibit Index; e-mail to Steve, Mark and Jack;	3.50
11/30	Revision of initial draft of Mark's testimony; telephone with Steve;	2.50

FEE for services rendered (16.75 hours @ \$125.00)

C \$2093.75

*approved
per T Bailey
12/13/04*

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2004
rate
calc
SL

KENERGY CORP.
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Item 37) Provide the estimated dates for draw downs of unadvanced loan funds at test-year-end and the proposed uses of these funds.

Response) The amount unadvanced at 5/31/04 (\$10,355,000) has not been advanced as of the date of this filing, and is expected to be advanced by July 1, 2005. The majority of these funds were expended prior to the end of the test year end (5/31/04), to extend new services to customers, and to upgrade or replace existing plant in service.

Witness) Steve Thompson

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Item 38) Provide a list of depreciation expenses using Format 36.

Response) Item 38, pages 2 and 3 of 3, contain the above referenced information.

Witness) Steve Thompson

Kenergy				
Case No. 2004-00446				
Depreciation Expenses				
Account Number	Item	(End of Test Year) Plant Account Balance	Depreciation Rate	Annual Depreciation
	Transmission plant:			
350.0	Land and land rights			
352.0	Structures and improvements			
353.0	Station equipment			
354.0	Towers and fixtures			
355.0	Poles and fixtures			
356.0	Overhead conductors and devices			
357.0	Underground conduit			
358.0	Underground conductors and devices			
359.0	Roads and trails			
354.0	Towers and fixtures			
355.0	Poles and fixtures			
356.0	Overhead conductors and devices			
357.0	Underground conduit			
358.0	Underground conductors and devices			
359.0	Roads and trails			
	Distribution plant:			
360.0	Land and land rights	654,043		
361.0	Structures and improvements			
362.0	Station equipment	23,439,633	*various	843,134.00
363.0	Storage battery equipment			
364.0	Poles, towers, and fixtures	52,082,792	3.10%	1,563,110.00
365.0	Overhead conductors and devices	41,907,226	3.10%	1,251,554.00
366.0	Underground conduit	14,166	3.10%	439.00
367.0	Underground conductors and devices	8,694,276	3.10%	254,987.00
368.0	Transformers	24,982,461	3.10%	753,609.00
369.0	Services	14,762,665	3.10%	432,199.00
370.0	Meters	4,465,617	3.10%	133,948.00
371.0	Installations on customer premises	2,677,552	3.10%	81,100.00

* Depreciate rates for account 362

3.10%
6.75%
5.00%
3.10%

Kenergy

Case No. 2004-00446

Depreciation Expenses

Account Number	Item	(End of Test Year) Plant Account Balance	Depreciation Rate	Annual Depreciation
372.0	Leased property on customer premises			
373.0	Street lighting and signal systems	506,566	3.10%	\$ 14,409
	<u>General plant:</u>			
389.0	Land and land rights	469,363		
390.0	Structures and improvements	6,552,373	2.00%	\$ 128,307
391.0	Office furniture and equipment	1,637,155	20.00% 6.00%	\$ 101,882
392.0	Transportation equipment	6,500,991	15.60%	\$ 551,860
393.0	Stores equipment	198,125	4.80%	\$ 7,969
394.0	Tools, shop, and garage equipment	984,080	4.80%	\$ 42,781
395.0	Laboratory equipment	636,191	4.80%	\$ 24,124
396.0	Power operated equipment	1,002,753	10.00% 13.50%	\$ 53,336
397.0	Communication equipment	1,489,971	6.50%	\$ 80,330
398.0	Miscellaneous equipment	482,295	4.80%	\$ 20,550

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Item 39) Are the depreciation rates reflected in this filing identical to those most recently approved by the Commission?

- a. If yes, identify the case in which they were approved.
- b. If no, provide the depreciation study that supports the rates reflected in this filing.

Response a-b) Yes, the depreciation rates reflected in this filing are identical to those in Kenergy's last rate case, which was Case No. 2003-00165. In that case, Kenergy requested and was granted a deviation from being required to provide a depreciation study. A similar deviation has been requested in the present case.

Witness) Steve Thompson

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Item 40) Provide information for plotting the depreciation guideline curves in accordance with REA Bulletin 183-1, as shown in Format 38.

Response) Item 40, page 2 of 2, contains the above referenced information.

Witness) Steve Thompson

KENERGY CORP.
CASE NO. 2004-00446

DATA FOR DEPRECIATION GUIDELINE CURVE
RUS BULLETIN 183-1

Test Year Ended	Distribution Plant In Service (a)	Accumulated Provision for Depreciation Distribution Plant (b)	Reserve Ratio (c)=(b)-(a)	Ratio of Current Distribution Plant to Distribution Plant Ten Years Prior (d)
2003	170,361,517	29,197,619	17.14	2003 1.92
2002	160,906,162	26,376,908	16.39	2002 1.89
2001	149,359,181	24,230,854	16.22	2001 1.83
2000	137,793,517	22,307,413	16.19	2000 1.78
1999	126,506,921	21,099,380	16.68	1999 1.71
1998	117,083,142	20,649,046	17.64	
1997	109,087,984	19,937,409	18.28	
1996	103,238,691	18,517,142	17.94	
1995	96,605,709	17,281,010	17.89	
1994	92,423,511	16,251,400	17.58	

Note: Amounts prior to 1999 represent the sum of the former Green River Electric Corp. & Henderson Union Electric Cooperative.

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Item 41) For each charitable and political contribution (in cash or services), provide the amount, recipient, and specific account charged.

Response) See Item 32, pages 2 - 6 of 6, for the above referenced information.

Witnesses) Mark Bailey and Steve Thompson

**KENERGY CORP.
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Item 42) Describe Kenergy's lobbying activities and provide a schedule showing the name, salary, and affiliation of each lobbyist; all company-paid or reimbursed expenses or allowances; and the account charged for all personnel for whom a principal function is lobbying, on the local, state, or national level. If any amounts are allocated, show a calculation of the factor used to allocate each amount.

Response) None.

Witnesses) Mark Bailey

**KENERGY CORP.
RESPONSE TO THE COMMISSION'S
FIRST DATA REQUEST FOR INFORMATION OF DECEMBER 9, 2004**

CASE NO. 2004-00446

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Item 43) Provide complete details of the financial reporting and rate-making treatment of Kenergy's pension costs.

Response) For financial reporting, Kenergy pension costs are reported in accordance with SFAS 87, 88, and 132. See footnote #7 of the Independent Auditor's report contained in Exhibit 11 of the application.

Witness) Steve Thompson

**KENERGY CORP.
RESPONSE TO THE COMMISSION'S
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Item 44) Provide complete details of Kenergy's financial reporting and rate-making treatment of Statement of Financial Accounting Standard ("SFAS") No. 106, including:

- a. The date that Kenergy adopted or plans to adopt SFAS No. 106.
- b. All accounting entries made or to be made at the date of adoption.
- c. All actuarial studies and other documents used to determine the level of SFAS No. 106 cost recorded or to be recorded by Kenergy.

Response) See footnote #8 of the Independent Auditor's report contained in Exhibit 11 of the application. There are no postretirement expenses proposed for rate-making purposes.

Witness) Steve Thompson

KENERGY CORP.
RESPONSE TO THE COMMISSION'S
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Item 45) Provide complete details of Kenergy's financial reporting and rate-making treatment of SFAS No. 112, including:

- a. The date that Kenergy adopted SFAS No. 112.
- b. All accounting entries made at the date of adoption.
- c. All actuarial studies and other documents used to determine the level of SFAS No. 112 cost recorded by Kenergy.

Response) See footnote #8 of the Independence Auditor's report contained in Exhibit 11 of the application. There are no postretirement expenses proposed for rate-making purposes.

Witness) Steve Thompson

**KENERGY CORP.
RESPONSE TO THE COMMISSION'S
FIRST DATA REQUEST FOR INFORMATION OF DECEMBER 9, 2004**

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Item 46) Provide any information, as soon as it is known, describing any events occurring after the test year that would have a material effect on net operating income, rate base, and cost of capital and is not incorporated in the filed testimony and exhibits.

Response) Pursuant to a Vegetation Management Program evaluation prepared by Davey Resource Group for Kenergy dated November, 2004, Kenergy has a board approved 2005 budget for right-of-way trimming and spraying of \$3,330,000. This cost exceeds the amount included in the filed testimony and exhibits by approximately \$1,000,000.

Witness) Mark Bailey and Steve Thompson

**KENERGY CORP.
RESPONSE TO THE COMMISSION'S
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Item 47) Provide all current labor contracts and the most recent contracts previously in effect.

Response) Kenergy's employees are all non-union.

Witness) Mark Bailey

KENERGY CORP.
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Item 48) Provide separate schedules for the test year and the year preceding the test year, including the following information regarding Kenergy's investments in subsidiaries and joint ventures:

- a. Name of subsidiary or joint venture.
- b. Date of initial investment.
- c. Amount and type of investment.
- d. Balance sheet and income statement. Where only internal statements are prepared, furnish copies of these.
- e. Name of officers of each of the subsidiaries or joint ventures, officer's annual compensation, and portion of compensation charged to the subsidiary or joint venture. Indicate the position that each officer holds with Kenergy and the compensation received from Kenergy.

Response a-e) Kenergy has no investment in subsidiaries or joint ventures.

Witness) Mark Bailey

KENERGY CORP.
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Item 49) Provide separate schedules showing all dividends or income of any type received by Kenergy from its subsidiaries or joint ventures for the test year and the 3 years preceding the test year. Indicate how this income is reflected in the reports filed with the Commission and the stockholder reports.

Response) Kenergy has no investment in subsidiaries or joint ventures.

Witness) Mark Bailey

**KENERGY CORP.
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Item 50) Provide a schedule of purchased power costs for the test year by vendor, separated into demand and energy components. Include KW and KWH purchased. Indicate any estimates used and explain their use in detail.

Response) Item 50, pages 2 – 8 of 8, contain the above referenced information.

Witness) Steve Thompson

KENERGY
Case No. 2004-00446
Purchased Power from Big Rivers Electric-Non-Dedicated Delivery Points
May 31, 2004

	(a)	(b)	(c)	(d)	(e)	(f)	(g)
	MONTH	KW	KWH	DEMAND	ENERGY	WHOLESALE DISCOUNT ADJUSTMENT	TOTAL
1	JUNE 2003	215,783	82,700,314	\$ 1,590,320.71	\$ 1,687,086.41	\$ (105,380.63)	\$ 3,172,026.49
2	JULY	227,913	109,910,671	\$ 1,679,718.81	\$ 2,242,177.69	\$ (113,522.20)	\$ 3,808,374.30
3	AUGUST	236,194	110,217,973	\$ 1,740,749.78	\$ 2,248,446.65	\$ (118,428.13)	\$ 3,870,768.30
4	SEPTEMBER	198,004	80,690,091	\$ 1,459,289.48	\$ 1,646,077.86	\$ (118,488.45)	\$ 2,986,878.89
5	OCTOBER	136,595	73,177,160	\$ 1,006,705.15	\$ 1,492,814.06	\$ (111,390.94)	\$ 2,388,128.27
6	NOVEMBER	173,239	79,664,105	\$ 1,276,771.43	\$ 1,625,147.74	\$ (104,021.68)	\$ 2,797,897.49
7	DECEMBER	199,655	108,152,516	\$ 1,471,457.35	\$ 2,206,311.33	\$ (109,565.55)	\$ 3,568,203.13
8	JANUARY 2004	220,873	111,688,994	\$ 1,627,834.01	\$ 2,278,455.48	\$ (115,694.05)	\$ 3,790,595.44
9	FEBRUARY	194,133	97,444,124	\$ 1,430,760.21	\$ 1,987,860.13	\$ (118,002.25)	\$ 3,300,618.09
10	MARCH	163,850	81,302,907	\$ 1,207,574.50	\$ 1,658,579.30	\$ (119,089.93)	\$ 2,747,063.87
11	APRIL	153,685	71,278,898	\$ 1,132,658.45	\$ 1,454,089.52	\$ (107,321.43)	\$ 2,479,426.54
12	MAY	193,475	87,485,655	\$ 1,425,910.75	\$ 1,784,707.36	\$ (104,012.42)	\$ 3,106,605.69
13	Plus Valley Grain	22,524	9,482,900	\$ 262,448.55	\$ 130,057.97	\$ (12,736.04)	\$ 379,770.48
14	TOTAL	2,335,923	1,103,196,308	\$ 17,312,199.18	\$ 22,441,811.50	\$ (1,357,653.70)	\$ 38,396,356.98

KENERGY
Case No. 2004-00446
Purchased Power from Big Rivers Electric-Direct Serves-Excluding Smelters
May 31, 2004

	(a)	(b)	(c)	(d)	(e)	(f)	(g)
	MONTH	KW	KWH	DEMAND	ENERGY	WHOLESALE DISCOUNT ADJUSTMENT	TOTAL
1	JUNE 2003	134,278	76,016,932	\$ 1,436,367.10	\$ 1,065,141.42	\$ (98,003.84)	\$ 2,403,504.68
2	JULY	131,251	77,243,289	\$ 1,386,510.30	\$ 1,100,537.16	\$ (82,077.35)	\$ 2,404,970.11
3	AUGUST	136,206	81,744,627	\$ 1,414,585.20	\$ 1,163,735.03	\$ (74,577.41)	\$ 2,503,742.82
4	SEPTEMBER	136,585	80,723,232	\$ 1,415,275.40	\$ 1,171,158.19	\$ (74,423.58)	\$ 2,512,010.01
5	OCTOBER	134,422	79,914,399	\$ 1,387,464.40	\$ 1,112,642.30	\$ (89,563.79)	\$ 2,410,542.91
6	NOVEMBER	136,515	75,055,933	\$ 1,406,373.85	\$ 1,041,079.82	\$ (102,416.03)	\$ 2,345,037.64
7	DECEMBER	132,475	74,720,542	\$ 1,363,469.80	\$ 1,091,781.96	\$ (91,182.02)	\$ 2,364,069.74
8	JANUARY 2004	134,016	80,141,289	\$ 1,377,913.25	\$ 1,166,434.47	\$ (78,477.00)	\$ 2,465,870.72
9	FEBRUARY	133,432	75,777,941	\$ 1,362,607.05	\$ 1,079,424.24	\$ (73,965.58)	\$ 2,368,065.71
10	MARCH	135,277	81,911,122	\$ 1,404,770.15	\$ 1,179,255.55	\$ (78,477.57)	\$ 2,505,548.13
11	APRIL	135,726	80,547,137	\$ 1,409,621.85	\$ 1,219,266.69	\$ (93,453.54)	\$ 2,535,435.00
12	MAY	137,368	86,367,002	\$ 1,422,471.75	\$ 1,403,603.44	\$ (98,585.73)	\$ 2,727,489.46
13	Less Valley Grain	(22,524)	(9,482,900)	\$ (262,448.55)	\$ (130,057.97)	\$ 12,736.04	\$ (379,770.48)
14	TOTAL	1,595,027	940,680,545	\$ 16,524,981.55	\$ 13,664,002.30	\$ (1,022,467.40)	\$ 29,166,516.45

KENERGY
Case No. 2004-00446
Purchased Power from Big Rivers Electric-Alcan & Century
May 31, 2004

	(a) <u>MONTH</u>	(b) <u>KWH</u>	© <u>PURCHASED POWER</u>
1	JUNE 2003	61,489,000	\$ 1,905,017.63
2	JULY	63,653,000	\$ 2,016,009.36
3	AUGUST	63,363,000	\$ 2,081,447.39
4	SEPTEMBER	63,822,000	\$ 2,021,360.99
5	OCTOBER	62,968,000	\$ 1,988,662.68
6	NOVEMBER	60,009,000	\$ 2,049,307.48
7	DECEMBER	62,372,000	\$ 2,024,664.20
8	JANUARY 2004	113,227,000	\$ 3,561,640.62
9	FEBRUARY	106,047,000	\$ 3,337,466.81
10	MARCH	115,051,000	\$ 3,593,761.41
11	APRIL	111,791,000	\$ 3,432,779.38
12	MAY	<u>114,654,000</u>	<u>\$ 3,634,778.58</u>
13	TOTAL	<u><u>998,446,000</u></u>	<u><u>\$ 31,646,896.53</u></u>

KENERGY
Case No. 2004-00446
Purchased Power from LG&E-Alcan & Century
May 31, 2004

	(a)	(b)	©
	<u>MONTH</u>	<u>KWH</u>	<u>PURCHASED POWER</u>
1	JUNE 2003	451,083,163	\$ 10,548,410.88
2	JULY	468,051,534	\$ 10,997,246.44
3	AUGUST	470,874,166	\$ 11,175,458.31
4	SEPTEMBER	450,743,054	\$ 10,557,798.04
5	OCTOBER	465,698,121	\$ 10,896,860.55
6	NOVEMBER	451,325,252	\$ 10,571,123.18
7	DECEMBER	468,763,574	\$ 10,998,784.46
8	JANUARY 2004	468,555,168	\$ 11,069,801.64
9	FEBRUARY	436,622,001	\$ 10,298,314.17
10	MARCH	466,231,559	\$ 10,954,747.94
11	APRIL	449,756,294	\$ 10,578,378.17
12	MAY	470,077,976	\$ 11,165,871.11
13	TOTAL	5,517,781,862	\$ 129,812,794.89

KENERGY
Case No. 2004-00446
Purchased Power from CINERGY-Alcan
May 31, 2004

	(a)	(b)	©
	<u>MONTH</u>	<u>KWH</u>	<u>PURCHASED POWER</u>
1	JUNE 2003	36,000,000	\$ 981,000.00
2	JULY	37,200,000	\$ 1,013,700.00
3	AUGUST	37,200,000	\$ 1,013,700.00
4	SEPTEMBER	36,000,000	\$ 981,000.00
5	OCTOBER	37,200,000	\$ 1,013,700.00
6	NOVEMBER	36,000,000	\$ 981,000.00
7	DECEMBER	37,200,000	\$ 1,013,700.00
8	JANUARY 2004	37,200,000	\$ 1,054,620.00
9	FEBRUARY	34,800,000	\$ 986,580.00
10	MARCH	37,200,000	\$ 1,054,620.00
11	APRIL	36,000,000	\$ 1,020,600.00
12	MAY	37,200,000	\$ 1,054,620.00
13	TOTAL	439,200,000	\$ 12,168,840.00

KENERGY
Case No. 2004-00446
Purchased Power from SIGECO-Alcan & Century
May 31, 2004

	(a)	(b)	©
	<u>MONTH</u>	<u>KWH</u>	<u>PURCHASED POWER</u>
1	JUNE 2003	6,053,000	\$ 192,767.28
2	JULY	5,478,000	\$ 173,524.68
3	AUGUST	4,792,000	\$ 145,777.00
4	SEPTEMBER	5,693,000	\$ 181,573.36
5	OCTOBER	5,703,000	\$ 187,963.28
6	NOVEMBER	6,110,000	\$ 188,525.62
7	DECEMBER	5,656,000	\$ 181,421.64
8	JANUARY 2004	5,172,000	\$ 168,453.44
9	FEBRUARY	4,795,000	\$ 157,182.62
10	MARCH	4,672,000	\$ 152,104.23
11	APRIL	5,035,000	\$ 167,320.65
12	MAY		
13	TOTAL	<u>59,159,000</u>	<u>\$ 1,896,613.80</u>

KENERGY
Case No. 2004-00446
Purchased Power from Morgan Stanley-Century
May 31, 2004

	(a) <u>MONTH</u>	(b) <u>KWH</u>	© <u>PURCHASED POWER</u>
1	JUNE 2003	46,800,000	\$ 1,366,560.00
2	JULY	48,360,000	\$ 1,412,112.00
3	AUGUST	48,360,000	\$ 1,412,112.00
4	SEPTEMBER	46,800,000	\$ 1,366,560.00
5	OCTOBER	48,425,000	\$ 1,414,010.00
6	NOVEMBER	46,800,000	\$ 1,366,560.00
7	DECEMBER	48,345,000	\$ 1,410,438.00
8	JANUARY 2004	(51,000)	\$ (4,411.80)
9	FEBRUARY		
10	MARCH		
11	APRIL		
12	MAY		
13	TOTAL	<u>333,839,000</u>	<u>\$ 9,743,940.20</u>