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March 11, 2008

RECEIVED

MAR 11 2008

PUBLIC SERVICE
COMMISSION

VIA HAND DELIVERY

Elizabeth O'Donnell
Executive Director
Kentucky Public Service Commission
211 Sower Boulevard
Frankfort, KY 40601

**RE: An Investigation of the Energy and Regulatory Issues in Section 50 of
Kentucky's 2007 Energy Act**
Administrative Case No. 2007-00477

Dear Ms. O'Donnell:

Enclosed please find and accept for filing the original and ten copies of Kentucky Utilities Company's and Louisville Gas and Electric Company's First Set of Data Requests to Overland Consulting in the above-referenced matter. Please confirm your receipt of this filing by placing the stamp of your Office with the date received on the enclosed additional copies and return them to me in the enclosed self-addressed stamped envelope.

Should you have any questions please contact me at your convenience.

Sincerely,

W. Duncan Crosby III

WDC:ec
Enclosures as mentioned
cc: Parties of Record

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COMMONWEALTH OF KENTUCKY
BEFORE THE PUBLIC SERVICE COMMISSION

In the Matter of:

AN INVESTIGATION OF THE)	
ENERGY AND REGULATORY)	ADMINISTRATIVE
ISSUES IN SECTION 50 OF)	CASE NO. 2007-00477
KENTUCKY'S 2007 ENERGY ACT)	

**KENTUCKY UTILITIES COMPANY'S AND
LOUISVILLE GAS AND ELECTRIC COMPANY'S
FIRST SET OF DATA REQUESTS TO
OVERLAND CONSULTING**

Pursuant to the Kentucky Public Service Commission's ("Commission") November 20, 2007 Order establishing the procedural schedule in this proceeding, Kentucky Utilities Company ("KU") and Louisville Gas and Electric Company ("LG&E") (collectively the "Companies") respectfully submit the following first set of data requests to Overland Consulting ("Overland") to be answered by March 20, 2008, the date specified in the Commission's November 20, 2007 Order.

Instructions

As used herein, "Documents" include all correspondence, memoranda, notes, e-mail, maps, drawings, surveys or other written or recorded materials, whether external or internal, of every kind or description in the possession of or accessible to Overland, its witnesses or counsel.

1. Please identify by name, title, position and responsibility the person or persons answering each of these data requests for information.
2. These requests shall be deemed continuing so as to require further and supplemental responses if Overland receives or generates additional information within the scope of these requests between the time of the response and the time of any hearing conducted herein.

3. To the extent that the specific document, work paper or information as requested does not exist, but a similar document, work paper or information does exist, provide the similar document, work paper or information.

4. If Overland has objections to any request on the grounds that the requested information is proprietary in nature, or for any other reason, please notify the undersigned counsel for the Companies as soon as possible.

5. For any document withheld on the ground of privilege, state the following: date; author; addressee; indicated or blind copies; all persons to whom distributed, shown or explained; and the nature and legal basis for the privilege asserted.

6. In the event any document requested has been destroyed or transferred beyond the control of Overland or any of his witnesses, state: the identity of the person by whom it was destroyed or transferred and the person authorizing the destruction or transfer; the time, place and method of destruction or transfer; and the reason(s) for its destruction or transfer. If destroyed or transferred by reason of a document retention policy, describe in detail the document retention policy.

7. If a document responsive to a request is a matter of public record, please produce a copy of the document rather than refer the Companies to the record where the document is located.

Data Requests

1. In Overland's March 4, 2008 Review of the Incentives for Energy Independence Act of 2007, Section 50, prepared for the Commission ("Report"), page 53, Overland recommends that the Commission "develop or adopt recognized measurement and verification guidelines, so that actual results of DSM programs can be independently assessed and validated." Given the practical difficulties and costs associated with obtaining actual data for the savings

associated with any given DSM measure, in addition to the fact that the savings created by many DSM and energy efficiency measures are discretionary with customers (e.g., use of compact fluorescent light bulbs), please state what kind(s) of “actual results” Overland believes can be obtained cost-effectively and can be adjusted for customers’ discretionary behaviors.

2. Please refer to Report pages 53 and 84. On page 53, Overland states, “[S]tandards should recognize . . . that DSM cannot be substituted for power plant development on an undifferentiated basis.” How does Overland reconcile that recommendation with its statement on page 84, wherein Overland recommends that the “current statute defining the CPCN process should be modified to require the consideration of demand and supply-side alternatives . . .”?

3. Please refer to Report page 58, where Overland states, “The Commission should consider the need to revise the current DSM application and approval process to accelerate the procedural timeline for projects below a defined funding level.” Does Overland agree that such a “defined funding level” should mean a percentage of a utility’s revenues, such that projects under a certain percentage of a utility’s revenues would be “fast-tracked” for approval?

4. Please refer to Report page 69, where Overland states, “The [RPS] target must be realistic and cost-effective in light of Kentucky geological constraints [.]” Given that renewable sources of electric generation typically are higher-cost than conventional generation, how does Overland define “cost-effective” in this context?

5. Please refer to Report page 70, where Overland states, “The Commission should consider the need to provide for fast track applications for small-scale generation [.]” How does Overland define “small-scale generation”?

Dated: March 11, 2008

Respectfully submitted,

Handwritten signature of Kendrick R. Riggs in black ink, consisting of stylized initials and a surname.

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Counsel for Kentucky Utilities Company and
Louisville Gas and Electric Company

CERTIFICATE OF SERVICE

The undersigned hereby certifies that a copy of the above and foregoing First Set of Data Requests was served, via United States mail, postage prepaid, to the following persons on the 11th day of March 2008:

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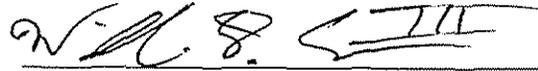
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