

COMMONWEALTH OF KENTUCKY
BEFORE THE PUBLIC SERVICE COMMISSION

RECEIVED

APR 14 2008

PUBLIC SERVICE
COMMISSION

In the Matter of:

APPLICATION OF KENTUCKY)
UTILITIES COMPANY TO FILE) CASE NO. 2007-00565
DEPRECIATION STUDY)

ATTORNEY GENERAL'S SUPPLEMENTAL REQUESTS FOR INFORMATION

Comes now the intervenor, the Attorney General of the Commonwealth of Kentucky, by and through his Office of Rate Intervention, and submits the following Supplemental Requests for Information to Kentucky Utilities Company [hereinafter referred to as "KU"] to be answered by the date specified in the Commission's Order of Procedure, and in accord with the following:

- (1) In each case where a request seeks data provided in response to a staff request, reference to the appropriate request item will be deemed a satisfactory response.
- (2) Please identify the witness who will be prepared to answer questions concerning each request.
- (3) Please repeat the question to which each response is intended to refer. The Office of the Attorney General can provide counsel for KU with an electronic version of these questions, upon request.
- (4) These requests shall be deemed continuing so as to require further and supplemental responses if the company receives or generates additional

information within the scope of these requests between the time of the response and the time of any hearing conducted hereon.

(5) Each response shall be answered under oath or, for representatives of a public or private corporation or a partnership or association, be accompanied by a signed certification of the preparer or 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.

(6) If any request appears confusing, please request clarification directly from the Office of Attorney General.

(7) To the extent that the specific document, workpaper or information as requested does not exist, but a similar document, workpaper or information does exist, provide the similar document, workpaper, or information.

(8) To the extent that any request may be answered by way of a computer printout, please identify each variable contained in the printout which would not be self evident to a person not familiar with the printout.

(9) If the company has objections to any request on the grounds that the requested information is proprietary in nature, or for any other reason, please notify the Office of the Attorney General as soon as possible.

(10) For any document withheld on the basis 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.

(11) In the event any document called for has been destroyed or transferred beyond the control of the company, please 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 disposed of by operation of a retention policy, state the retention policy.

(12) Please provide written responses, together with any and all exhibits pertaining thereto, in one or more bound volumes, separately indexed and tabbed by each response.

Respectfully submitted,

JACK CONWAY
ATTORNEY GENERAL



LAWRENCE W. COOK
PAUL D. ADAMS
ASSISTANT ATTORNEYS GENERAL
1024 CAPITAL CENTER DRIVE,
SUITE 200
FRANKFORT KY 40601-8204
(502) 696-5453
FAX: (502) 573-8315

Certificate of Service and Filing


Counsel certifies that an original and ten photocopies of the foregoing were served and filed by hand delivery to Stephanie Stumbo, Executive Director, Public Service Commission, 211 Sower Boulevard, Frankfort, Kentucky 40601; counsel further states that true and accurate copies of the foregoing were mailed via First Class U.S. Mail, postage pre-paid, to:

Hon. W. Duncan Crosby III
Stoll Keenon Ogden, PLLC
2000 PNC Plaza
500 W. Jefferson St.
Louisville, KY 40202-2828

Hon. Allyson K. Sturgeon, Esq.
E.ON U.S. Services, Inc.
220 W. Main St.
Louisville, KY 40202

Lonnie E. Bellar
E.ON U.S. Services, Inc.
220 W. Main St.
Louisville, KY 40202

this 14th day of April, 2008


Assistant Attorney General

**Attorney General's Supplemental Requests
to Kentucky Utilities Co.
Case No. 2007-00565**

1. Please refer to the Excel files provided in response to AG 1-29.
 - a. Provide the formulae underlying the capital recovery, cost of removal and gross salvage rates, which are in most cases hardcoded in the file.
 - b. For the capital recovery, cost of removal and gross salvage amounts that are not calculated as a formula (i.e., the ones that are hardcoded) please provide the source and/or formulae underlying those amounts.
2. Please refer to the capital budget provided in response to AG 1-44. Reconcile this budget to that provided John Spanos on May 2, 2007, as included in the response to AG 1-7. Also, explain the differences between the two budgets – what is each one used for?
3. Please refer to the response to AG 1-57. Provide the actuarial data underlying the new analyses attached to the response, or provide a list of the retirements that should have been excluded from the original analysis.
4. Refer to the response to AG 1-58. Please provide the attachments in Excel format with all formulae intact.
5. Refer to the response to AG 1-94.
 - a. Please verify that the reserves used in Mr. Spanos' depreciation study include the cost of removal reserves. If this is not the case explain why not.
 - b. Please provide the cost of removal depreciation rates for each account as used to calculate the amounts, and explain how those rates were calculated.
 - c. Please provide the calculation of the initial cost of removal reserve upon implementation of SFAS No. 143 (i.e., the \$256,744,263 amount shown in response to AG 1-96). Include all formulas/assumptions.
6. Please refer to the responses to AG 1-93, 1-94 and 1-96. Please provide similar responses showing Kentucky jurisdictional plant only. Also, please provide a response to the immediately preceding question to match the Kentucky jurisdictional amounts.

**Attorney General's Supplemental Requests
to Kentucky Utilities Co.
Case No. 2007-00565**

7. Please refer to the response to AG 1-96. Please explain the "Reclass of COR to Regulatory Liability from Life Reserves" entry.
8. Please refer to the response to AG 1-99. Provide the formulae underlying the cost of removal and gross salvage rates and accruals shown in the attachment.