

Mr. Jeff DeRouen Executive Director Kentucky Public Service Commission 211 Sower Boulevard Frankfort, KY 40601

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PUBLIC SERVICE COMMISSION

Kentucky Utilities Company State Regulation and Rates 220 West Main Street PO Box 32010 Louisville, Kentucky 40232 www.eon-us.com

Robert M. Conroy Director - Rates T 502-627-3324 F 502-627-3213 robert.conroy@eon-us.com

RE: <u>Application of Kentucky Utilities Company for an Adjustment of Base</u>
Rates – Case No. 2009-00548

Dear Mr. DeRouen:

In the course of preparing responses to the requests for information, Kentucky Utilities Company ("KU") determined the certain information that was provided in the application, but not the subject of the requests for information should be corrected or revised. Providing this information is consistent with the general direction in the Commission's February's 16, 2010 Order that a party make timely amendment to any prior response if it obtains information which indicates that the response was incorrect when made or, though correct when made, is now incorrect in any material respect.

Exhibit 1, Reference Schedule 1.13, To Adjust for Customer Billing Corrections and Rate Switching should be revised to reflect a recent customer account overbilling adjustment which occurred in the test period. The amount of the overbilling adjustment is \$82,603. The amount of the revised customer billing corrections and rate switching adjustment is a decrease to revenue of \$(268,961).

Exhibit 1, Reference Schedule 1.16, Adjustment to Reflect Increases in Labor and Labor-Related Costs should be revised to reflect the final amounts posted. The amount of the revised 2009 Winter Storm Restoration regulatory asset labor costs is \$3,461,562. The amount of the revised jurisdictional labor and labor-related costs adjustment is an increase to expense of \$754,418. A similar update is being submitted in the Louisville Gas and Electric base rate case.

Exhibit 1, Reference Schedule 1.34, Adjustment to Reflect Expiration of Owensboro Municipal Utility ("OMU") Contract should be revised. KU inadvertently omitted the credit to demand charges for the SO2 allowances owed to KU by OMU. The amount of the SO2 credits is \$1,095,573. The amount of the revised jurisdictional adjustment is a decrease to expense of \$(14,726,846) to reflect the expiration of the OMU contract.

Exhibit 2, Capitalization at October 31, 2009 should be revised. KU inadvertently omitted the investment tax credit associated with the Trimble County joint use assets transfer in the capitalization adjustment. The amount of the Trimble Count Unit 2 joint use assets transfer investment tax credit is \$2,927,959. The amount of the jurisdictional adjustment to capitalization is a decrease of \$(2,551,716) to reflect the Trimble County Unit 2 joint use assets transfer Investment Tax Credit.

Should you have any questions, please telephone me at your earliest convenience.

Sincerely,

Robert M. Conroy

cc: Counsel to the Parties of Record and their consultants