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COMMONWEALTH OF KENTUCKY BEFORE THE PUBLIC SERVICE COMMISSION

APR 29 2010

PUBLIC SERVICE COMMISSION

In the Matters of:

APPLICATION OF KENTUCKY UTILITIES COMPANY FOR AN ADJUSTMENT OF BASE RATES))	CASE NO. 2009-00548
-and-		
APPLICATION OF LOUISVILLE GAS & ELECTRIC COMPANY FOR AN ADJUSTME OF BASE RATES) NT)	CASE NO. 2009-00549

ATTORNEY GENERAL'S MOTION TO REDACT EXHIBIT TO HIS PRE-FILED TESTIMONY

PUBLIC REDACTED VERSION

Comes now the Attorney General, by and through his Office of Rate Intervention, and hereby moves that the Commission redact and replace certain schedules contained in exhibits attached to the pre-filed written direct testimony of his expert witness, Mr. Michael Majoros, which was filed in both the above-styled cases.

In support of this motion, he states that said exhibits may make indirect reference to data obtained from the petitioners' data responses that were submitted under seal of confidentiality. Said information was mistakenly and inadvertently included in two exhibits prepared by Attorney General witness Michael Majoros. Although said information could also have been obtained in other public formats, the Attorney General believes that in keeping with the

spirit if not the letter of the confidentiality agreement he entered with said petitioners, that said information should be redacted.

Additionally, the schedules at issue contain certain minor errors as will be corrected in the attached substitute exhibits which the Attorney General requests be substituted into the record.

The schedules and exhibits at issue are as follows:

Case No.	Exhibit and Schedule Identification	Summary of Changes
2009-00548	Exhibit MJM-1, Schedule 1.4.1	Redact numerical data in public version; Change source reference to AG 1-57
2009-00549	Exhibit MJM-1, Schedule 1.4.1	Redact numerical data in public version; Change source reference to AG 1-57
	Exhibit MJM-3, Schedule 3.3.1	Redact numerical data in public version; Change source reference to AG 1-57

The Attorney General attaches the following exhibits to this public redacted motion: Exhibit 1-B, which contains the public redacted version of the exhibit to be substituted in Case No. 2009-00548; and Exhibit 2-B which contains the public redacted versions of the two exhibits to be substituted in Case No. 2009-00549.

WHEREFORE, the Attorney General requests that the Commission grant his motion.

Respectfully submitted,

JACK CONWAY

ATTORNEY GENERAL

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Certificate of Service and Filing

Counsel certifies that an original and ten photocopies of the foregoing were served and filed by hand delivery to Jeff Derouen, 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:

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this 29 day of April, 2010

Assistant Attorney General

EXHIBIT 1-B

KU & LG&E Consolidated Tax Savings and Effective Tax Rate

		ı	ľ	ı		1
	KU		2007	2008	2009	2 Year Average
1	Positive Taxable Income					
2	KU Taxable Income					
3	Percent KU			, 1994		
4	Tax Losses					
5	Tax Losses Allocated to KU					\$200 A 100 A
6	2 Year Average					
	Federal Income Taxes					
7	@35%	0.35	7877			建筑等1000000000000000000000000000000000000
8	Effective tax rate					
		1	1	ı		1
	LG&E		2007	2008	2009	2 Year Average
9	Positive Taxable Income		多 多数 1000000000000000000000000000000000000			
lΟ	LG&E Taxable Income					
. 1	Percent LG&E					100,000
						(4) (1) (1) (2) (2) (2) (2) (2) (2) (2) (2) (2) (2

0.35

Source: Response to AG 1-57

13 Tax Losses Allocated to LG&E

Federal Income Taxes

12 Tax Losses

15 <u>@35%</u>

14 2 Year Average

16 Effective tax rate

EXHIBIT 2-B

KU & LG&E Consolidated Tax Savings and Effective Tax Rate

	KU		2007	2008	2009	2 Year Average
1	Positive Taxable Income					
2	KU Taxable Income					
3	Percent KU					
4	Tax Losses					
5	Tax Losses Allocated to KU					
6	2 Year Average					
	Federal Income Taxes					
7	@35%	0.35				
8	Effective tax rate					

	LG&E		2007	2008	2009	2 Year Average
9	Positive Taxable Income					
10	LG&E Taxable Income					
11	Percent LG&E					
12	Tax Losses					
13	Tax Losses Allocated to LG&E					
14	2 Year Average					
	Federal Income Taxes	0.25				
15	@35%	0.35			<u> </u>	
16	Effective tax rate					

Source: Response to AG 1-57

KU & LG&E Consolidated Tax Savings and Effective Tax Rate

	KU		2007	2008	2009	2 Year Average
1	Positive Taxable Income					
2	KU Taxable Income					
3	Percent KU					
4	Tax Losses					
5	Tax Losses Allocated to KU					•
6	2 Year Average					
	Federal Income Taxes					
7	@35%	0.35				
8	Effective tax rate					

	LG&E		2007	2008	2009	2 Year Average
9	Positive Taxable Income					
10	LG&E Taxable Income					
11	Percent LG&E					
12	Tax Losses					
	Tax Losses Allocated to					
13	LG&E					
14	2 Year Average					
	Federal Income Taxes					
15	@35%	0.35				
16	Effective tax rate					

Source: Response to AG 1-57

	Test Year Income Taxes		Allocated
Allocation of Savings to LGE Electric and Gas	1/	Percent	Savings
Electric Gas			
Total	:		

1/ Source: Filing Requirement 10(7)(a)