



Jeff DeRouen
Executive Director
Kentucky Public Service Commission
211 Sower Boulevard
Frankfort, Kentucky 40602-0615

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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

September 7, 2010

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

**RE: AN EXAMINATION OF THE APPLICATION OF THE
FUEL ADJUSTMENT CLAUSE OF KENTUCKY
UTILITIES COMPANY FROM NOVEMBER 1, 2009
THROUGH APRIL 30, 2010 –
CASE NO. 2010-00266**

Dear Mr. DeRouen:

Enclosed please find an original and ten (10) copies of the Response of Kentucky Utilities Company to Information Requested in the Appendix of the Commission's Order dated August 13, 2010, in the above-referenced proceeding.

Also enclosed are an original and ten (10) copies of a Petition for Confidential Protection regarding certain information provided in response to Question No. 12, 19 and Question No. 20.

Please contact me if you have any questions concerning this filing.

Sincerely,

Robert M. Conroy

Enclosures

COMMONWEALTH OF KENTUCKY
BEFORE THE PUBLIC SERVICE COMMISSION

In the Matter of:

AN EXAMINATION OF THE)	
APPLICATION OF THE FUEL)	
ADJUSTMENT CLAUSE OF KENTUCKY)	CASE NO.
UTILITIES COMPANY FROM)	2010-00266
NOVEMBER 1, 2009 THROUGH APRIL)	
30, 2010)	

RESPONSE OF
KENTUCKY UTILITIES COMPANY
TO
INFORMATION REQUESTED IN
APPENDIX OF COMMISSION'S ORDER
DATED AUGUST 13, 2010

FILED: September 7, 2010

VERIFICATION

COMMONWEALTH OF KENTUCKY)
) SS:
COUNTY OF JEFFERSON)

The undersigned, **Charles R. Schram**, being duly sworn, deposes and says that he is Director – Energy Planning, Analysis and Forecasting for E.ON U.S. Services, Inc., and that he has personal knowledge of the matters set forth in the responses for which he is identified as the witness, and the answers contained therein are true and correct to the best of his information, knowledge and belief.

Charles R. Schram
Charles R. Schram

Subscribed and sworn to before me, a Notary Public in and before said County and State, this 2nd day of September 2010.

Victoria B. Harper (SEAL)
Notary Public

My Commission Expires:

Sept 20, 2010

VERIFICATION

COMMONWEALTH OF KENTUCKY)
) SS:
COUNTY OF JEFFERSON)

The undersigned, **Mike Dotson**, being duly sworn, deposes and says that he is Manager – LG&E and KU Fuels for E.ON U.S. Services, Inc., and that he has personal knowledge of the matters set forth in the responses for which he is identified as the witness, and the answers contained therein are true and correct to the best of his information, knowledge and belief.

Mike Dotson
Mike Dotson

Subscribed and sworn to before me, a Notary Public in and before said County and State, this 3rd day of September 2010.

Victoria B. Harper (SEAL)
Notary Public

My Commission Expires:

Sept 20, 2010

KENTUCKY UTILITIES COMPANY

**Response to Information Requested in Appendix of
Commission's Order Dated August 13, 2010**

Case No. 2010-00266

Question No. 1

Witness: Mike Dotson

- Q-1. For the period from November 1, 2009 through April 30, 2010, list each vendor from whom coal was purchased and the quantities and the nature of each purchase (e.g., spot or contract). For the period under review in total, provide the percentage of purchases that were spot versus contract.
- A-1. Please see the attached sheet.

<u>PURCHASE VENDOR</u>	<u>PURCHASE TONNAGE</u>	<u>TYPE</u>
Alliance Coal	163,380	Contract
Alpha Coal Sales	217,890	Contract
Arch Coal Sales	19,258	Spot
Armstrong Coal	418,434	Contract
Armstrong Coal	89,088	Spot
Coaltrade	69,315	Spot
CONSOL Energy Inc.	159,418	Spot
CSV Inc	12,801	Spot
Cumberland Elkhorn Coal & Coke	14,191	Spot
Duke Energy Ohio Inc	48,316	Spot
Emerald International Corporation	116,898	Contract
Foresight Coal Sales	51,122	Spot
Hopkins County Coal	107,146	Contract
International Coal Group	35,546	Contract
Knight Hawk Coal	13,972	Spot
Marietta Coal Company	8,263	Spot
Marietta Coal Company	3,275	Contract
Nally & Hamilton Enterprises Inc.	137,345	Contract
Oxford Mining Company - Kentucky LLC	462,813	Contract
Patriot Coal Corporation	532,535	Contract
Patriot Coal Corporation	11,739	Spot
Perry County Coal Corporation	91,418	Contract
Rhino Energy LLC	121,597	Contract
The American Coal Company	443,404	Contract
Trinity Coal Marketing	550,079	Contract
Western Kentucky Minerals Inc.	3,104	Spot
Western Kentucky Minerals Inc.	6,271	Contract
TOTAL	<u>3,908,619</u>	
	3,408,031	87% Contract
	<u>500,587</u>	13% Spot
	3,908,619	

KENTUCKY UTILITIES COMPANY

**Response to Information Requested in Appendix of
Commission's Order Dated August 13, 2010**

Case No. 2010-00266

Question No. 2

Witness: Robert M. Conroy

Q-2. For the period from November 1, 2009 through April 30, 2010, list each vendor from whom natural gas was purchased for generation and the quantities and the nature of each purchase (e.g., spot or contract). For contract purchases, state whether the contract has been filed with the Commission. If no, explain why it has not been filed.

A-2. Please see the attachment for the list of vendors, associated quantities, and nature of natural gas purchases. Please note that purchases from Louisville Gas & Electric are primarily for LG&E owned coal and gas fired generation and purchases from Columbia Gas are for KU owned gas fired generation served by the local distribution company; however, other natural gas purchases are made on an aggregate basis and not by utility ownership percentages of individual generating units. KU and LG&E have joint ownership in certain CT units. Trimble County Units 5 and 6 are owned 71% by KU and 29% by LG&E. Trimble County Units 7, 8, 9, and 10 are owned 63% by KU and 37% by LG&E. Brown Unit 5 and Paddy's Run Unit 13 are owned 47% by KU and 53% by LG&E. Brown Units 6 and 7 are owned 62% by KU and 38% by LG&E. Fuel expenses, not individual natural gas purchase transactions, are allocated to the Companies based on their respective ownership percentages.

Purchases from Louisville Gas & Electric Company's Gas Distribution Business are Special Contract purchases. The Special Contract for Firm Gas Sales and Firm Transportation Service dated September 28, 2007 and effective April 11, 2008, between Louisville Gas and Electric Company, on behalf of its Gas Distribution Business, and Louisville Gas and Electric Company and Kentucky Utilities Company, on behalf of their Electric Generation Business, was originally filed with the Kentucky Public Service Commission in Case No. 2007-00449. The Special Contract was amended in Case No. 2009-00549 and effective on August 1, 2010. All remaining purchases are spot purchases.

Natural Gas Purchases 11/1/2009 - 4/30/2010

Purchase Vendor	MMBTU	Type
BG Energy Merchants	5,000	Spot
BP Energy	21,900	Spot
CIMA Energy	825,165	Spot
Colonial Energy	63,352	Spot
Columbia Gas KY	754	Spot*
JLA Energy	15,000	Spot
Louisville Gas & Electric	232,210	Special Contract*
Macquarie Cook	99,200	Spot
National Energy & Trade	30,872	Spot
NJR Energy Service	191,306	Spot
Oneok Energy	64,500	Spot
Petrocom Ventures	74,311	Spot
Sequent Energy	198,500	Spot
Shell Energy	35,600	Spot
Tenaska Mktg	310,844	Spot
Tennessee Gas Pipeline	498	Imbalance
Total Gas & Power	10,000	Spot
United Energy	1,289	Spot
<hr/>		
Total	2,180,301	

* - Local Distribution Company service, with no volume purchase commitments.

KENTUCKY UTILITIES COMPANY

**Response to Information Requested in Appendix of
Commission's Order Dated August 13, 2010**

Case No. 2010-00266

Question No. 3

Witness: Mike Dotson

Q-3. State whether KU engages in hedging activities for its coal purchases. If yes, describe the hedging activities in detail.

A-3. . KU does not engage in any financial hedging activities for its coal purchases. The Company does use physical hedging in contracting for coal. KU uses the following guidelines in utilization of coal under contract:

1 year out	95 – 100%
2 years out	90 – 100%
3 years out	40 – 90 %
4 years out	30 – 70 %

KENTUCKY UTILITIES COMPANY

**Response to Information Requested in Appendix of
Commission's Order Dated August 13, 2010**

Case No. 2010-00266

Question No. 4

Witness: Mike Dotson / Charles R. Schram

Q-4. For each generating station or unit for which a separate coal pile is maintained, state for the period from November 1, 2009 through April 30, 2010 the actual amount of coal burned in tons, the actual amount of coal deliveries in tons, the total kWh generated, and the actual capacity factor at which the plant operated.

A-4. For November 1, 2009 to April 30, 2010

The North American Electric Reliability Council Generation Availability Data System defines capacity factor as the value equal to the net MWh produced divided by the product of the hours in the period and the unit rating.

Plant	Coal Burn (Tons)	Coal Receipts (Tons)	Net MWh	Capacity Factor (Net MWh)/ (period hrs x MW rating)
E. W. Brown 1-3	615,364	475,025	1,419,589	46.4%
Ghent 1-4	2,893,518	3,146,683	6,240,161	75.7%
Green River 3, 4	218,425	217,596	462,450	61.5%
Tyrone 3	-	-	(669)	0.0%
Trimble County PRB	-	69,315	-	0.0%

Note 1: Tyrone 3 was on Inactive Reserve for the period under review. The unit was returned to active status on June 4, 2010.

Note 2: PRB coal is being purchased for preliminary testing of Trimble County Unit 2. Testing began in May 2010.

KENTUCKY UTILITIES COMPANY

**Response to Information Requested in Appendix of
Commission's Order Dated August 13, 2010**

Case No. 2010-00266

Question No. 5

Witness: Charles R. Schram

Q-5. List all firm power commitments for KU from November 1, 2009 through April 30, 2010 for (a) purchases and (b) sales. This list shall identify the electric utility, the amount of commitment in MW, and the purpose of the commitment (e.g., peaking, emergency).

A-5. a. Firm Purchases

The firm purchases from Owensboro Municipal Utilities (OMU) for the review period are shown below. As reported in Case No. 2009-00507, filed with the Commission on February 17, 2010, the contract with OMU terminated on May 16, 2010.

<u>Utility</u>	<u>MW</u>	<u>Purpose</u>
Owensboro Municipal Utilities	~176	Baseload

The firm purchases from Ohio Valley Electric Corporation (OVEC) for the review period are shown in the table below. KU purchased its participation ratio (2.5%) of the OVEC released capacity for the months in question:

<u>Utility</u>	<u>Companies' Amt (MW)</u>	<u>KU Portion (MW)</u>	<u>Purpose</u>
OVEC (Nov 2009)	~ 150	~ 46	Baseload
OVEC (Dec 2009)	~ 163	~ 50	Baseload
OVEC (Jan 2010)	~ 181	~ 56	Baseload
OVEC (Feb 2010)	~ 169	~ 52	Baseload
OVEC (Mar 2010)	~ 161	~ 50	Baseload
OVEC (Apr 2010)	~ 146	~ 45	Baseload

b. Sales

None.

KENTUCKY UTILITIES COMPANY

**Response to Information Requested in Appendix of
Commission's Order Dated August 13, 2010**

Case No. 2010-00266

Question No. 6

Witness: Robert M. Conroy

Q-6. Provide a monthly billing summary of sales to all electric utilities for the period November 1, 2009 through April 30, 2010.

A-6. Please see the attached sheets.

Kentucky Utilities Company

POWER TRANSACTION SCHEDULE

Month Ended: November 30, 2009

Company	Type of Transaction	KWH	Billing Components			Total Charges(\$)
			Demand(\$)	Fuel Charges(\$)	Other Charges(\$)	
<u>Sales</u>						
MIDWEST INDEPENDENT TRANSMISSION SYSTEM OPERATOR, INC.	MISO	Economy		\$ 30.23	\$ 7.93	\$ 38.16
PJM INTERCONNECTION ASSOCIATION	PJM	Economy		\$ 194.39	\$ 51.00	\$ 245.39
AMERICAN ELECTRIC POWER SERVICE CORP.	AEP	Economy		\$ 29.82	\$ 7.82	\$ 37.64
CARGILL- ALLIANT, LLC	CARG	Economy		\$ 31.09	\$ 8.16	\$ 39.25
TENNESSEE VALLEY AUTHORITY	TVA	Economy		\$ 36.39	\$ 9.54	\$ 45.93
LOUISVILLE GAS & ELECTRIC	LGE	Economy		\$ 1,367,889.28	\$ 96,016.43	\$ 1,463,905.71
SUBTOTAL			49,637,000	\$ -	\$ 1,368,211.20	\$ 1,464,312.08
TOTAL			49,637,000	\$ -	\$ 1,368,211.20	\$ 1,464,312.08

Kentucky Utilities Company

POWER TRANSACTION SCHEDULE

Month Ended: December 31, 2009

Company	Type of Transaction	KWH	Billing Components			Total Charges(\$)
			Demand(\$)	Fuel Charges(\$)	Other Charges(\$)	
<u>Sales</u>						
MIDWEST INDEPENDENT TRANSMISSION SYSTEM OPERATOR, INC.	MISO Economy	42,000		\$ 1,367.53	\$ 538.22	\$ 1,905.75
MIDWEST CONTINGENCY RESERVE SHARING GROUP	MCRS Economy	3,000		\$ 241.48	\$ 95.04	\$ 336.52
PJM INTERCONNECTION ASSOCIATION	PJM Economy	214,000		\$ 7,002.85	\$ 2,548.04	\$ 9,550.89
ASSOCIATED ELECT COOPERATIVE	AECI Economy	25,000		\$ 813.20	\$ 320.05	\$ 1,133.25
AMERICAN ELECTRIC POWER SERVICE CORP.	AEP Economy	22,000		\$ 692.49	\$ 272.54	\$ 965.03
AMEREN ENERGY MARKETING COMPANY	AMEM Economy	7,000		\$ 255.90	\$ 100.71	\$ 356.61
CARGILL- ALLIANT, LLC	CARG Economy	30,000		\$ 996.15	\$ 392.06	\$ 1,388.21
ENDURE ENERGY	ENDU Economy	2,000		\$ 81.14	\$ 31.93	\$ 113.07
FORTIS ENERGY MARKETING & TRADING GP	FORT Economy	3,000		\$ 103.68	\$ 40.81	\$ 144.49
ILLINOIS MUNICIPAL ELECTRIC AGENCY	IMEA Economy	11,000		\$ 384.29	\$ 151.24	\$ 535.53
INDIANA MUNICIPAL POWER AGENCY	IMPA Economy	13,000		\$ 457.68	\$ 180.13	\$ 637.81
ENERGY IMBALANCE	IMBL Economy	1,000		\$ 29.82	\$ 11.74	\$ 41.56
MERRILL LYNCH COMMODITIES INC.	MLCM Economy	3,000		\$ 97.57	\$ 38.40	\$ 135.97
PROGRESS ENERGIES CAROLINAS INC.	PROC Economy	23,000		\$ 1,043.15	\$ 410.56	\$ 1,453.71
THE ENERGY AUTHORITY	TEA Economy	5,000		\$ 155.70	\$ 61.28	\$ 216.98
TENNESSEE VALLEY AUTHORITY	TVA Economy	42,000		\$ 1,296.28	\$ 510.18	\$ 1,806.46
AMEREN ENERGY, INC.	AMRN Economy	1,000		\$ 34.64	\$ 13.64	\$ 48.28
LOUISVILLE GAS & ELECTRIC	LGE Economy	75,467,000		\$ 2,320,523.83	\$ 139,341.72	\$ 2,459,865.55
SUBTOTAL		75,914,000	\$ -	\$ 2,335,577.38	\$ 145,058.29	\$ 2,480,635.67
TOTAL		75,914,000	\$ -	\$ 2,335,577.38	\$ 145,058.29	\$ 2,480,635.67

Kentucky Utilities Company

POWER TRANSACTION SCHEDULE

Month Ended: January 31, 2010

Company	Type of Transaction	KWH	Billing Components			Total Charges(\$)
			Demand(\$)	Fuel Charges(\$)	Other Charges(\$)	
<u>Sales</u>						
MIDWEST INDEPENDENT TRANSMISSION SYSTEM OPERATOR, INC.	MISO	Economy		\$ 3,623.26	\$ 1,493.56	\$ 5,116.82
PJM INTERCONNECTION ASSOCIATION	PJM	Economy		\$ 11,418.83	\$ 4,706.99	\$ 16,125.82
ASSOCIATED ELECT COOPERATIVE	AECI	Economy		\$ 3,033.47	\$ 1,250.43	\$ 4,283.90
AMERICAN ELECTRIC POWER SERVICE CORP.	AEP	Economy		\$ 907.21	\$ 393.67	\$ 1,300.88
AMEREN ENERGY MARKETING COMPANY	AMEM	Economy		\$ 57.43	\$ 24.92	\$ 82.35
BNP PARIBAS ENERGY TRADING GP	BNPPARIBAS	Economy		\$ 121.83	\$ 52.87	\$ 174.70
CARGILL- ALLIANT, LLC	CARG	Economy		\$ 1,494.96	\$ 648.70	\$ 2,143.66
ENDURE ENERGY	ENDU	Economy		\$ 661.91	\$ 287.22	\$ 949.13
ILLINOIS MUNICIPAL ELECTRIC AGENCY	IMEA	Economy		\$ 490.66	\$ 212.91	\$ 703.57
INDIANA MUNICIPAL POWER AGENCY	IMPA	Economy		\$ 766.42	\$ 332.57	\$ 1,098.99
ENERGY IMBALANCE	IMBL	Economy		\$ 257.73	\$ 111.83	\$ 369.56
MERRILL LYNCH COMMODITIES INC.	MLCM	Economy		\$ 347.41	\$ 150.75	\$ 498.16
PROGRESS ENERGIES CAROLINAS INC.	PROC	Economy		\$ 1,172.34	\$ 508.71	\$ 1,681.05
THE ENERGY AUTHORITY	TEA	Economy		\$ 836.22	\$ 362.86	\$ 1,199.08
TENASKA POWER SERVICES CO.	TPS	Economy		\$ 93.38	\$ 40.52	\$ 133.90
TENNESSEE VALLEY AUTHORITY	TVA	Economy		\$ 5,863.63	\$ 2,417.05	\$ 8,280.68
AMEREN ENERGY, INC.	AMRN	Economy		\$ 82.14	\$ 35.66	\$ 117.80
LOUISVILLE GAS & ELECTRIC	LGE	Economy		\$ 1,562,252.16	\$ 94,240.43	\$ 1,656,492.59
SUBTOTAL				\$ 50,159,000	\$ -	\$ 1,593,480.99
TOTAL				\$ 50,159,000	\$ -	\$ 1,593,480.99

Kentucky Utilities Company

POWER TRANSACTION SCHEDULE

Month Ended: February 28, 2010

Company	Type of Transaction	KWH	Billing Components			Total Charges(\$)
			Demand(\$)	Fuel Charges(\$)	Other Charges(\$)	
<u>Sales</u>						
MIDWEST INDEPENDENT TRANSMISSION SYSTEM OPERATOR, INC.	MISO Economy	44,000		\$ 1,353.09	\$ 552.92	\$ 1,906.01
PJM INTERCONNECTION ASSOCIATION	PJM Economy	481,000		\$ 14,600.75	\$ 5,610.73	\$ 20,211.48
ASSOCIATED ELECT COOPERATIVE	AECI Economy	30,000		\$ 966.71	\$ 395.03	\$ 1,361.74
AMERICAN ELECTRIC POWER SERVICE CORP.	AEP Economy	37,000		\$ 1,141.05	\$ 466.27	\$ 1,607.32
AMEREN ENERGY MARKETING COMPANY	AMEM Economy	1,000		\$ 34.24	\$ 13.99	\$ 48.23
BNP PARIBAS ENERGY TRADING GP	BNPPARIB/ Economy	4,000		\$ 141.20	\$ 57.70	\$ 198.90
CARGILL- ALLIANT, LLC	CARG Economy	36,000		\$ 1,124.56	\$ 459.53	\$ 1,584.09
DUKE ENERGY CAROLINAS, LLC	DECA Economy	2,000		\$ 63.26	\$ 25.85	\$ 89.11
ENDURE ENERGY	ENDU Economy	2,000		\$ 66.04	\$ 26.98	\$ 93.02
ILLINOIS MUNICIPAL ELECTRIC AGENCY	IMEA Economy	1,000		\$ 32.71	\$ 13.36	\$ 46.07
INDIANA MUNICIPAL POWER AGENCY	IMPA Economy	6,000		\$ 231.61	\$ 94.65	\$ 326.26
ENERGY IMBALANCE	IMBL Economy	1,000		\$ 30.07	\$ 12.29	\$ 42.36
MERRILL LYNCH COMMODITIES INC.	MLCM Economy	8,000		\$ 259.29	\$ 105.95	\$ 365.24
PROGRESS ENERGIES CAROLINAS INC.	PROC Economy	27,000		\$ 1,095.58	\$ 447.69	\$ 1,543.27
RAINBOW ENERGY MARKETING CORP	REMC Economy	4,000		\$ 131.32	\$ 53.66	\$ 184.98
THE ENERGY AUTHORITY	TEA Economy	16,000		\$ 498.14	\$ 203.56	\$ 701.70
TENASKA POWER SERVICES CO.	TPS Economy	10,000		\$ 292.78	\$ 119.65	\$ 412.43
TENNESSEE VALLEY AUTHORITY	TVA Economy	102,000		\$ 3,316.44	\$ 1,274.43	\$ 4,590.87
AMEREN ENERGY, INC.	AMRN Economy	3,000		\$ 93.14	\$ 38.06	\$ 131.20
WESTAR ENERGY, INC.	WSTR Economy	1,000		\$ 27.25	\$ 11.13	\$ 38.38
LOUISVILLE GAS & ELECTRIC	LGE Economy	134,715,000		\$ 3,895,477.74	\$ 282,706.83	\$ 4,178,184.57
SUBTOTAL		135,531,000	\$ -	\$ 3,920,976.97	\$ 292,690.26	\$ 4,213,667.23
TOTAL		135,531,000	\$ -	\$ 3,920,976.97	\$ 292,690.26	\$ 4,213,667.23

Kentucky Utilities Company

POWER TRANSACTION SCHEDULE

Month Ended: March 31, 2010

Company	Type of Transaction	KWH	Billing Components			Total Charges(\$)
			Demand(\$)	Fuel Charges(\$)	Other Charges(\$)	
				\$ 274.40	\$ 91.32	\$ 365.72
<u>Sales</u>				\$ 2,845.85	\$ 947.15	\$ 3,793.00
MIDWEST INDEPENDENT TRANSMISSION SYSTEM OPERATOR, INC.	MISO	9,000				
PJM INTERCONNECTION ASSOCIATION	PJM	93,000				
ASSOCIATED ELECT COOPERATIVE	AECI	2,000		\$ 59.29	\$ 19.73	\$ 79.02
AMERICAN ELECTRIC POWER SERVICE CORP.	AEP	10,000		\$ 305.72	\$ 101.75	\$ 407.47
CARGILL- ALLIANT, LLC	AEP	7,000		\$ 232.73	\$ 77.46	\$ 310.19
CITIGROUP ENERGY, INC.	CARG	1,000		\$ 27.75	\$ 9.23	\$ 36.98
ENDURE ENERGY	CITI	1,000		\$ 36.34	\$ 12.10	\$ 48.44
ILLINOIS MUNICIPAL ELECTRIC AGENCY	ENDU	1,000		\$ 31.25	\$ 10.40	\$ 41.65
INDIANA MUNICIPAL POWER AGENCY	IMEA	1,000		\$ 94.55	\$ 31.47	\$ 126.02
RAINBOW ENERGY MARKETING CORP	IMPA	3,000		\$ 107.08	\$ 35.64	\$ 142.72
THE ENERGY AUTHORITY	REMC	3,000		\$ 60.74	\$ 20.21	\$ 80.95
TENASKA POWER SERVICES CO.	TEA	2,000		\$ 98.90	\$ 32.91	\$ 131.81
TENNESSEE VALLEY AUTHORITY	TPS	3,000		\$ 333.80	\$ 111.10	\$ 444.90
LOUISVILLE GAS & ELECTRIC	TVA	11,000		\$ 996,315.52	\$ 67,821.96	\$ 1,064,137.48
SUBTOTAL	LGE	34,646,000		\$ 1,000,823.92	\$ 69,322.43	\$ 1,070,146.35
TOTAL		34,792,000	\$ -	\$ 1,000,823.92	\$ 69,322.43	\$ 1,070,146.35

Kentucky Utilities Company

POWER TRANSACTION SCHEDULE

Month Ended: April 30, 2010

Company	Type of Transaction	KWH	Billing Components			Total Charges(\$)	
			Demand(\$)	Fuel Charges(\$)	Other Charges(\$)		
<u>Sales</u>							
OWENSBORO MUNICIPAL UTILITIES	OMU	Economy	696,000	\$ -	\$ 18,417.28	\$ 3,646.15	\$ 22,063.43
OWENSBORO MUNICIPAL UTILITIES	OMU	Allowances	-	\$ -	\$ -	\$ 304.00	\$ 304.00
LOUISVILLE GAS & ELECTRIC	LGE	Economy	20,379,000	\$ -	\$ 556,113.43	\$ 46,345.20	\$ 602,458.63
SUBTOTAL			21,075,000	\$ -	\$ 574,530.71	\$ 50,295.35	\$ 624,826.06
TOTAL			21,075,000	\$ -	\$ 574,530.71	\$ 50,295.35	\$ 624,826.06

KENTUCKY UTILITIES COMPANY

**Response to Information Requested in Appendix of
Commission's Order Dated August 13, 2010**

Case No. 2010-00266

Question No. 7

Witness: David L. Tummonds

Q-7. List KU's scheduled, actual, and forced outages between November 1, 2009 and April 30, 2010.

A-7. Please see the attached sheets.

Kentucky Utilities Company
 E. W. Brown Unit 1 - Coal - 101 MW
 In-service May 1957
 November 2009 through April 2010

Schedule vs. Actual

MONTH	MAINTENANCE				HOURS OF DURATION			REASON FOR DEVIATION FROM SCHEDULED MAINTENANCE OR REASON FOR FORCED OUTAGE AS APPROPRIATE
	Scheduled		Actual		Scheduled	Forced	Actual	
	FROM	TO	FROM	TO				
Nov	S	→	11/15/2009 15:00	→	11/12/2009 11:55	351:00	275:55	Boiler inspection.
	F			11/12/2009 11:55	11/14/2009 0:49		36:54	Turbine turning gear and motor.
Dec	No Outages > or = 6 Hours							
Jan	No Outages > or = 6 Hours							
Feb	No Outages > or = 6 Hours							
Mar	S	3/6/2010 6:00	3/6/2010 20:10	3/6/2010 6:00	3/6/2010 20:10	14:10	14:10	Generator voltage control.
Apr	F			4/27/2010 11:52	4/28/2010 23:17		35:25	Boiler tube waterwall leak.

Kentucky Utilities Company
 E. W. Brown Unit 2 - Coal - 167 MW
 In-service June 1963
 November 2009 through April 2010

Schedule vs. Actual

MONTH	MAINTENANCE				HOURS OF DURATION			REASON FOR DEVIATION FROM SCHEDULED MAINTENANCE OR REASON FOR FORCED OUTAGE AS APPROPRIATE
	Scheduled		Actual		Scheduled	Forced	Actual	
	FROM	TO	FROM	TO				
Nov	No Outages > or = 6 Hours							
Dec	No Outages > or = 6 Hours							
Jan	No Outages > or = 6 Hours							
Feb	No Outages > or = 6 Hours							
Mar	S	3/19/2010 19:37	3/21/2010 23:32	3/19/2010 19:37	3/21/2010 23:32	51:55	51:55	Construction on unit 3 stack required joint outage.
Apr	No Outages > or = 6 Hours							

Kentucky Utilities Company
 E. W. Brown Unit 3 - Coal - 429 MW
 In-service July 1971
 November 2009 through April 2010

Schedule vs. Actual

MONTH	MAINTENANCE				HOURS OF DURATION			REASON FOR DEVIATION FROM SCHEDULED MAINTENANCE OR REASON FOR FORCED OUTAGE AS APPROPRIATE
	Scheduled		Actual		Scheduled	Forced	Actual	
	FROM	TO	FROM	TO				
Nov	S	→	11/1/2009 5:46	→	11/1/2009 5:46	5:46	5:46	Second reheater leak.
Dec	No Outages > or = 6 Hours							
Jan	No Outages > or = 6 Hours							
Feb	No Outages > or = 6 Hours							
Mar	S	3/20/2010 0:00	→	3/19/2010 21:43	→	288:00	290:17	Major boiler overhaul and FGD construction.
Apr	S	→	→	→	→	720:00	720:00	" " " " " "

Kentucky Utilities Company
 Ghent Unit 1 - Coal - 475 MW
 In-service February 1974
 November 2009 through April 2010

Schedule vs. Actual

MONTH	MAINTENANCE				HOURS OF DURATION			REASON FOR DEVIATION FROM SCHEDULED MAINTENANCE OR REASON FOR FORCED OUTAGE AS APPROPRIATE
	Scheduled		Actual		Scheduled	Forced	Actual	
	FROM	TO	FROM	TO				
Nov	F		11/25/2009 10:29	11/27/2009 18:21	55:52			Boiler tube waterwall leak.
	F		11/27/2009 22:21	11/30/2009 19:48	69:27			Condenser tube leak.
Dec	F		12/7/2009 23:25	12/8/2009 6:00	6:35			Generator voltage control.
	F		12/8/2009 6:00	12/8/2009 19:30	13:30			Boiler water chemistry.
Jan	No Outages > or = 6 Hours							
Feb	No Outages > or = 6 Hours							
Mar	S	3/13/2010 0:00	→	3/12/2010 22:55	→	456:00	457:05	Boiler inspection.
Apr	S	→	4/18/2010 15:00	→	4/18/2010 7:14	423:00	415:14	" "
	F		4/18/2010 16:30	4/19/2010 13:34	21:04			Main steam piping.

Kentucky Utilities Company
 Ghent Unit 2 - Coal - 484 MW
 In-service April 1977
 November 2009 through April 2010

Schedule vs. Actual

MONTH	MAINTENANCE				HOURS OF DURATION			REASON FOR DEVIATION FROM SCHEDULED MAINTENANCE OR REASON FOR FORCED OUTAGE AS APPROPRIATE	
	Scheduled		Actual		Scheduled	Forced	Actual		
	FROM	TO	FROM	TO					
Nov	S	11/27/2009 14:40	11/28/2009 15:20	11/27/2009 14:40	11/28/2009 15:20	24:40		24:40	Turbine main stop valves.
	F			11/28/2009 15:20	11/30/2009 3:55		36:35		Condenser tube and water box cleaning.
Dec		No Outages > or = 6 Hours							
Jan		No Outages > or = 6 Hours							
Feb		No Outages > or = 6 Hours							
Mar		No Outages > or = 6 Hours							
Apr	S	4/3/2010 23:43	4/5/2010 5:50	4/3/2010 23:43	4/5/2010 5:50	30:07		30:07	Intermediate pressure feedwater heater.

Kentucky Utilities Company
 Ghent Unit 3 - Coal - 480 MW
 In-service May 1981
 November 2009 through April 2010

Schedule vs. Actual

MONTH	MAINTENANCE				HOURS OF DURATION			REASON FOR DEVIATION FROM SCHEDULED MAINTENANCE OR REASON FOR FORCED OUTAGE AS APPROPRIATE	
	Scheduled		Actual		Scheduled	Forced	Actual		
	FROM	TO	FROM	TO					
Nov	S	→	11/15/2009 15:00	→	11/15/2009 23:59	351:00		359:59	Boiler inspection.
	S	11/15/2009 23:59	11/17/2009 18:32	11/15/2009 23:59	11/17/2009 18:32	42:33		42:33	Boiler inspection - scheduled extension.
	F			11/18/2009 12:35	11/19/2009 7:32		18:57		Feedwater valves.
Dec	F			12/24/2009 4:00	12/28/2009 0:51		92:51		Circulating water piping.
Jan	F			1/31/2010 14:51	→		9:09		Economizer leak.
Feb	F			→	2/1/2010 12:10		12:10		" "
Mar	F			3/23/2010 16:40	3/27/2010 22:17		101:37		Circulating water piping.
Apr	S	4/9/2010 22:23	4/11/2010 21:10	4/9/2010 22:23	4/11/2010 21:10	46:47		46:47	First reheater leak.

Kentucky Utilities Company
 Ghent Unit 4 - Coal - 479 MW
 In-service August 1984
 November 2009 through April 2010

Schedule vs. Actual

MONTH	MAINTENANCE					HOURS OF DURATION			REASON FOR DEVIATION FROM SCHEDULED MAINTENANCE OR REASON FOR FORCED OUTAGE AS APPROPRIATE
	Scheduled		Actual			Scheduled	Forced	Actual	
	FROM	TO	FROM	TO					
Nov	S	11/20/2009 23:22	11/22/2009 20:47	11/20/2009 23:22	11/22/2009 20:47	45:25		45:25	Transmission circuit breaker.
Dec	F			12/13/2009 0:09	12/14/2009 12:21		36:12		First superheater leak.
	F			12/15/2009 13:29	12/16/2009 11:24		21:55		Condenser tube leak.
Jan	S	1/15/2010 22:54	1/16/2010 17:45	1/15/2010 22:54	1/16/2010 17:45	18:51		18:51	Boiler tube waterwall leak.
Feb	No Outages > or = 6 Hours								
Mar	S	3/7/2010 7:00	3/7/2010 19:35	3/7/2010 7:00	3/7/2010 19:35	12:35		12:35	Boiler tube waterwall leak.
Apr	S	4/17/2010 0:00	—————>	4/20/2010 22:07	4/30/2010 5:43	336:00		223:36	Chemical cleaning.

Kentucky Utilities Company
 Green River Unit 3 - Coal - 68 MW
 In-service April 1954
 November 2009 through April 2010

Schedule vs. Actual

MONTH	MAINTENANCE					HOURS OF DURATION			REASON FOR DEVIATION FROM SCHEDULED MAINTENANCE OR REASON FOR FORCED OUTAGE AS APPROPRIATE
	Scheduled		Actual		Scheduled	Forced	Actual		
	FROM	TO	FROM	TO					
Nov	S	11/19/2009 8:00	11/19/2009 16:46	11/19/2009 8:00	11/19/2009 16:46	8:46	8:46	Induced draft fan motor.	
Dec	S	12/22/2009 21:13	12/23/2009 18:15	12/22/2009 21:13	12/23/2009 18:15	21:02	21:02	Induced draft fan coupling.	
Jan	F			1/19/2010 3:56	1/20/2010 0:34		20:38	First superheater leak.	
Feb	No Outages > or = 6 Hours								
Mar	F			3/7/2010 14:08	3/8/2010 13:00		22:52	Generating tube leak.	
Apr	F			4/17/2010 17:12	4/19/2010 20:02		50:50	Second superheater leak.	
	F			4/21/2010 10:32	4/22/2010 6:40		20:08	Second superheater leak.	

Kentucky Utilities Company
 Green River Unit 4 - Coal - 95 MW
 In-service July 1959
 November 2009 through April 2010

Schedule vs. Actual

MONTH	MAINTENANCE				HOURS OF DURATION			REASON FOR DEVIATION FROM SCHEDULED MAINTENANCE OR REASON FOR FORCED OUTAGE AS APPROPRIATE
	Scheduled		Actual		Scheduled	Forced	Actual	
	FROM	TO	FROM	TO				
Nov	F		—————>	11/4/2009 0:09	72:09		Generator rotor windings.	
	F			11/4/2009 0:09	6:49		Turbine piping.	
Dec	No Outages > or = 6 Hours							
Jan	No Outages > or = 6 Hours							
Feb	No Outages > or = 6 Hours							
Mar	F			3/1/2010 21:39	3/2/2010 20:07	22:28	Second superheater leak.	
	F			3/12/2010 7:20	3/12/2010 23:11	15:51	High pressure heater tube leak.	
Apr	S	4/16/2010 22:02	4/17/2010 11:01	4/16/2010 22:02	4/17/2010 11:01	12:59	12:59	Second superheater leak.
	F			4/19/2010 7:30	4/19/2010 13:53	6:23	Turbine control valves.	

Kentucky Utilities Company
 Tyrone Unit 3 - Coal - 71 MW
 In-service July 1953
 November 2009 through April 2010

Schedule vs. Actual

MONTH	MAINTENANCE				HOURS OF DURATION			REASON FOR DEVIATION FROM SCHEDULED MAINTENANCE OR REASON FOR FORCED OUTAGE AS APPROPRIATE
	Scheduled		Actual		Scheduled	Forced	Actual	
	FROM	TO	FROM	TO				
Nov	No Outages > or = 6 Hours							
Dec	No Outages > or = 6 Hours							
Jan	No Outages > or = 6 Hours							
Feb	No Outages > or = 6 Hours							
Mar	No Outages > or = 6 Hours							
Apr	No Outages > or = 6 Hours							

*TY3 on Inactive Reserve

Kentucky Utilities Company
 E. W. Brown 5 - Gas CT - 117 MW
 In-service June 2001
 November 2009 through April 2010

Schedule vs. Actual

MONTH	MAINTENANCE				HOURS OF DURATION			REASON FOR DEVIATION FROM SCHEDULED MAINTENANCE OR REASON FOR FORCED OUTAGE AS APPROPRIATE
	Scheduled		Actual		Scheduled	Forced	Actual	
	FROM	TO	FROM	TO				
Nov	F		11/3/2009 16:40	11/5/2009 9:05	40:25		Gas pipeline inspection.	
Dec		No Outages > or = 6 Hours						
Jan	F		1/4/2010 13:25	1/7/2010 19:30	78:05		Controls and instrumentation.	
Feb		No Outages > or = 6 Hours						
Mar		No Outages > or = 6 Hours						
Apr		No Outages > or = 6 Hours						

Kentucky Utilities Company
 E. W. Brown 6 - Gas CT - 154 MW
 In-service August 1999
 November 2009 through April 2010

Schedule vs. Actual

MONTH	MAINTENANCE				HOURS OF DURATION			REASON FOR DEVIATION FROM SCHEDULED MAINTENANCE OR REASON FOR FORCED OUTAGE AS APPROPRIATE
	Scheduled		Actual		Scheduled	Forced	Actual	
	FROM	TO	FROM	TO				
Nov	S	→	11/5/2009 15:49	→	11/5/2009 15:49	111:49	111:49	Change purge piping location.
Dec	F		12/1/2009 12:18	12/4/2009 14:36		74:18		Engine exhaust temperature.
	F		12/4/2009 19:09	12/8/2009 5:39		82:30		Engine exhaust temperature.
	F		12/8/2009 21:15	12/9/2009 11:43		14:28		Engine exhaust temperature.
	F		12/10/2009 9:04	→		518:56		Engine exhaust temperature.
Jan	F		→	1/6/2010 1:08		121:08		" " "
	F		1/6/2010 15:47	1/7/2010 5:31		13:44		Engine exhaust temperature.
	F		1/7/2010 18:08	→		581:52		Engine exhaust temperature.
Feb	F		→	→		672:00		" " "
Mar	F		→	→		744:00		" " "
Apr	F		→	→		720:00		" " "

Kentucky Utilities Company
 E. W. Brown 7 - Gas CT - 154 MW
 In-service August 1999
 November 2009 through April 2010

Schedule vs. Actual

MONTH	MAINTENANCE				HOURS OF DURATION			REASON FOR DEVIATION FROM SCHEDULED MAINTENANCE OR REASON FOR FORCED OUTAGE AS APPROPRIATE
	Scheduled		Actual		Scheduled	Forced	Actual	
	FROM	TO	FROM	TO				
Nov	S	11/2/2009 12:20	11/6/2009 10:40	11/2/2009 12:20	11/6/2009 10:40	94:20	94:20	Change purge piping location.
	F			11/6/2009 18:35	11/7/2009 9:55	15:20		Controls and instrumentation.
Dec	F			12/3/2009 5:35	12/3/2009 13:26	7:51		Fire detection and extinguishing system.
	F			12/3/2009 17:54	12/4/2009 0:00	6:06		Load shaft and bearings.
Jan	F			1/4/2010 5:30	1/4/2010 13:25	7:55		Controls and instrumentation.
Feb	No Outages > or = 6 Hours							
Mar	S	3/10/2010 7:00	3/10/2010 14:00	3/10/2010 7:00	3/10/2010 14:00	7:00	7:00	Generator voltage control.
Apr	No Outages > or = 6 Hours							

Kentucky Utilities Company
 E. W. Brown 8 - Gas CT - 106 MW
 In-service February 1995
 November 2009 through April 2010

Schedule vs. Actual

MONTH	MAINTENANCE				HOURS OF DURATION			REASON FOR DEVIATION FROM SCHEDULED MAINTENANCE OR REASON FOR FORCED OUTAGE AS APPROPRIATE	
	Scheduled		Actual		Scheduled	Forced	Actual		
	FROM	TO	FROM	TO					
Nov	No Outages > or = 6 Hours								
Dec	S	12/9/2009 8:10	12/10/2009 5:25	12/9/2009 8:10	12/10/2009 5:25	21:15		21:15	Turbine exhaust.
	F			12/11/2009 7:30	12/11/2009 14:00		6:30		Controls and instrumentation.
Jan	No Outages > or = 6 Hours								
Feb	No Outages > or = 6 Hours								
Mar	No Outages > or = 6 Hours								
Apr	S	4/22/2010 6:00	4/22/2010 12:11	4/22/2010 6:00	4/22/2010 12:11	6:11		6:11	Compressor washing.

Kentucky Utilities Company
 E. W. Brown 9 - Gas CT - 106 MW
 In-service January 1995
 November 2009 through April 2010

Schedule vs. Actual

MONTH	MAINTENANCE				HOURS OF DURATION			REASON FOR DEVIATION FROM SCHEDULED MAINTENANCE OR REASON FOR FORCED OUTAGE AS APPROPRIATE
	Scheduled		Actual		Scheduled	Forced	Actual	
	FROM	TO	FROM	TO				
Nov	No Outages > or = 6 Hours							
Dec	S	12/7/2009 8:02	12/8/2009 9:48	12/7/2009 8:02	12/8/2009 9:48	25:46		25:46 Turbine exhaust.
Jan	No Outages > or = 6 Hours							
Feb	No Outages > or = 6 Hours							
Mar	No Outages > or = 6 Hours							
Apr	S	4/19/2010 6:00	4/19/2010 14:19	4/19/2010 6:00	4/19/2010 14:19	8:19		8:19 Compressor wash.
	S	4/28/2010 7:45	4/29/2010 9:27	4/28/2010 7:45	4/29/2010 9:27	25:42		25:42 Stack inspection.

Kentucky Utilities Company
 E. W. Brown 10 - Gas CT - 106 MW
 In-service December 1995
 November 2009 through April 2010

Schedule vs. Actual

MONTH	MAINTENANCE				HOURS OF DURATION			REASON FOR DEVIATION FROM SCHEDULED MAINTENANCE OR REASON FOR FORCED OUTAGE AS APPROPRIATE	
	Scheduled		Actual		Scheduled	Forced	Actual		
	FROM	TO	FROM	TO					
Nov	No Outages > or = 6 Hours								
Dec	S	12/10/2009 6:30	12/11/2009 14:15	12/10/2009 6:30	12/11/2009 14:15	31:45		31:45	Turbine exhaust.
Jan	No Outages > or = 6 Hours								
Feb	S	2/13/2010 0:00	2/21/2010 15:00	2/12/2010 7:56	→ 207:00			400:04	Combustor liner.
Mar	S			→ 3/2/2010 6:11	0:00			30:11	" "
	F			3/2/2010 6:11	3/4/2010 14:09		55:58		Fire detection and extinguishing system.
Apr	S	4/23/2010 6:00	4/23/2010 12:09	4/23/2010 6:00	4/23/2010 12:09	6:09		6:09	Compressor wash.

Schedule vs. Actual

Kentucky Utilities Company
 E. W. Brown 11 - Gas CT - 106 MW
 In-service May 1996
 November 2009 through April 2010

MONTH	MAINTENANCE				HOURS OF DURATION			REASON FOR DEVIATION FROM SCHEDULED MAINTENANCE OR REASON FOR FORCED OUTAGE AS APPROPRIATE
	Scheduled		Actual		Scheduled	Forced	Actual	
	FROM	TO	FROM	TO				
Nov	No Outages > or = 6 Hours							
Dec	S	12/8/2009 9:48	12/9/2009 8:05	12/8/2009 9:48	12/9/2009 8:05	22:17		22:17 Turbine exhaust.
Jan	No Outages > or = 6 Hours							
Feb	No Outages > or = 6 Hours							
Mar	No Outages > or = 6 Hours							
Apr	S	4/21/2010 6:30	4/21/2010 12:43	4/21/2010 6:30	4/21/2010 12:43	6:13		6:13 Compressor wash.

Kentucky Utilities Company
 Haefling 1 - Gas CT - 12 MW
 In-service October 1970
 November 2009 through April 2010

Schedule vs. Actual

MONTH	MAINTENANCE				HOURS OF DURATION			REASON FOR DEVIATION FROM SCHEDULED MAINTENANCE OR REASON FOR FORCED OUTAGE AS APPROPRIATE
	Scheduled		Actual		Scheduled	Forced	Actual	
	FROM	TO	FROM	TO				
Nov	F		—————>	11/2/2009 11:53	35:53		Control system.	
Dec	S	12/3/2009 9:08	—————>	12/3/2009 9:08	686:52	686:52	Generator circuit breaker.	
Jan	S	—————>	1/7/2010 9:10	—————>	1/7/2010 9:10	153:10	153:10	" " "
	F			1/7/2010 9:10	1/15/2010 14:15	197:05	Generator stator.	
	F			1/26/2010 13:35	1/27/2010 14:27	24:52	Cooling water system.	
Feb	No Outages > or = 6 Hours							
Mar	F			3/24/2010 13:00	3/25/2010 11:05	22:05	Control system.	
Apr	No Outages > or = 6 Hours							

Kentucky Utilities Company
 Haefling 2 - Gas CT - 12 MW
 In-service October 1970
 November 2009 through April 2010

Schedule vs. Actual

MONTH	MAINTENANCE				HOURS OF DURATION			REASON FOR DEVIATION FROM SCHEDULED MAINTENANCE OR REASON FOR FORCED OUTAGE AS APPROPRIATE
	Scheduled		Actual		Scheduled	Forced	Actual	
	FROM	TO	FROM	TO				
Nov	No Outages > or = 6 Hours							
Dec	No Outages > or = 6 Hours							
Jan	No Outages > or = 6 Hours							
Feb	No Outages > or = 6 Hours							
Mar	No Outages > or = 6 Hours							
Apr	No Outages > or = 6 Hours							

Schedule vs. Actual

Kentucky Utilities Company
 Haefling 3 - Gas CT - 12 MW
 In-service October 1970
 November 2009 through April 2010

MONTH	MAINTENANCE				HOURS OF DURATION			REASON FOR DEVIATION FROM SCHEDULED MAINTENANCE OR REASON FOR FORCED OUTAGE AS APPROPRIATE
	Scheduled		Actual		Scheduled	Forced	Actual	
	FROM	TO	FROM	TO				
Nov	No Outages > or = 6 Hours							
Dec	No Outages > or = 6 Hours							
Jan	No Outages > or = 6 Hours							
Feb	No Outages > or = 6 Hours							
Mar	No Outages > or = 6 Hours							
Apr	No Outages > or = 6 Hours							

KENTUCKY UTILITIES COMPANY

**Response to Information Requested in Appendix of
Commission's Order Dated August 13, 2010**

Case No. 2010-00266

Question No. 8

Witness: Mike Dotson

Q-8. List all existing fuel contracts categorized as long-term (i.e., one year or more in length). Provide the following information for each contract:

- a. Supplier's name and address;
- b. Name and location of production facility;
- c. Date when contract was executed;
- d. Duration of contract;
- e. Date(s) of each contract revision, modification or amendment;
- f. Annual tonnage requirements;
- g. Actual annual tonnage received since the contract's inception;
- h. Percentage of annual requirements received during the contract's term;
- i. Base price in dollars per ton;
- j. Total amount of price escalations to date in dollars per ton; and
- k. Current price paid for coal under the contract in dollars per ton (i + j).

A-8. Please see the attached sheets.

A. NAME/ADDRESS: Alliance Coal, LLC / J09002
1717 South Boulder Av., Suite 400
Tulsa, Oklahoma 74119-4886

B. PRODUCTION FACILITY:
OPERATOR: River View Coal, LLC
MINE: River View Mine
LOCATION: Union County, Kentucky

C. CONTRACT EXECUTED DATE: November 10, 2008

D. CONTRACT DURATION: November 3, 2008 – December 31, 2015

E. CONTRACT AMENDMENTS: None

F. ANNUAL TONNAGE REQUIREMENTS:

2010	1,000,000 tons
2011	2,000,000 tons
2012	2,000,000 tons
2013	2,000,000 tons
2014	2,000,000 tons
2015	2,000,000 tons

G. ACTUAL TONNAGE RECEIVED:

	<u>LG&E</u>	<u>KU</u>
2010	147,175 tons (through 4/30/10)	163,380 tons

H. PERCENT OF ANNUAL REQUIREMENTS:

2010	31% (through 4/30/10)
------	-----------------------

I. BASE PRICE (FOB Barge): April 1, 2008 \$41.00 per ton

J. ESCALATIONS TO DATE: \$ 4.48 per ton

K. CURRENT CONTRACT PRICE: \$45.48 per ton

A. NAME/ADDRESS:	Alpha Coal Sales Co., LLC. / K07002 One Energy Place Latrobe, PA 15650
B. PRODUCTION FACILITY: OPERATOR: MINES: LOCATION:	Enterprise Mining Co., LLC Various mines operated by Enterprise Mining Co, LLC. Perry & Knott Counties, KY
C. CONTRACT EXECUTED DATE:	September 21, 2006
D. CONTRACT DURATION:	January 1, 2007 – December 31, 2011
E. CONTRACT AMENDMENTS:	Amendment No. 1 effective March 1, 2007. Amending payment calculation. Amendment No. 2 effective September 1, 2007. Consent for substitution. Amendment No. 3 effective April 1, 2008, amending term, tonnage, quality and price.
F. ANNUAL TONNAGE REQUIREMENTS:	2007 324,000 tons 2008 324,000 tons 2009 500,000 tons 2010 250,000 tons
G. ACTUAL TONNAGE: RECEIVED:	2007 285,132 tons 2008 366,381 tons 2009 465,821 tons 2010 102,064 tons (through 4/30/10)
H. PERCENT OF ANNUAL REQUIREMENTS:	2007 88% 2008 113% 2009 93% 2010 41% (through 4/30/10)
I. BASE PRICE: (FOB Railcar)	2007 \$43.50 per ton 2008 \$43.50 per ton (through 4/30/08) 2008 \$60.58 per ton 2009 \$60.58 per ton 2010 \$72.00 per ton

J. ESCALATIONS TO DATE: None

K. CURRENT CONTRACT PRICE: \$72.00 per ton

A. NAME/ADDRESS: Armstrong Coal Company, Inc / J07032
407 Brown Road
Madisonville, Kentucky 42431

B. PRODUCTION FACILITY:
OPERATOR: Armstrong Coal Company, Inc
MINES: Various
LOCATION: Muhlenberg County and Ohio County,
Kentucky

C. CONTRACT EXECUTED DATE: December 20, 2007

D. CONTRACT DURATION: January 1, 2008 - December 31, 2016

E. CONTRACT AMENDMENTS: Amendment No. 1, effective July 1, 2008,
amending base quantity and modifying
diesel fuel adjustment to include explosives.
Amendment No. 2, effective December 22,
2009, amending term, base quantity, price
and environmental force majeure.

F. ANNUAL TONNAGE REQUIREMENTS:

2008	600,000 tons
2009	2,200,000 tons
2010	1,800,000 tons
2011 through 2015	- 2,100,000 tons per year
2016	900,000 tons

G. ACTUAL TONNAGE RECEIVED:

	<u>LG&E</u>	<u>KU</u>
2008	511,414 tons	82,623 tons
2009	1,530,482 tons	632,077 tons
2010	372,781 tons	225,421 tons
(through 4/30/10)		

H. PERCENT OF ANNUAL REQUIREMENTS:

2008	99%
2009	98%
2010	33% (through 4/30/10)

I. BASE PRICE (FOB Barge):

2008	Quality 1 - \$27.31 per ton
	Quality 2 - \$28.30 per ton
2009	Quality 1 - \$27.60 per ton
	Quality 2 - \$28.76 per ton
2010	Quality 1 - \$28.18 per ton
	Quality 2 - N/A
2011	Quality 1 - \$28.19 per ton

	Quality 2 - \$29.61 per ton
2012	Quality 1 - \$28.35 per ton Quality 2 - \$29.77 per ton
2013	Quality 1 - \$28.35 per ton Quality 2 - \$29.77 per ton
2014	Quality 1 - \$28.50 per ton Quality 2 - \$29.92 per ton
2015	Quality 1 - \$28.50 per ton Quality 2 - \$29.92 per ton
2016	Quality 1 - \$30.25 per ton Quality 2 - \$31.67 per ton

J. ESCALATIONS TO DATE: \$3.29 per ton

K. CURRENT CONTRACT PRICE: Quality 1 - \$31.47 per ton

A. NAME/ADDRESS: COALSALES, LLC / KUF06118-
LGE06012-J07005-J07006
701 Market Street
St. Louis, Missouri 63101

B. PRODUCTION FACILITY:
OPERATOR: Patriot Coal and Ohio Coal
MINE: Patriot and Freedom Mines
LOCATION: Henderson County, Kentucky
OPERATOR: Black Beauty Coal Company
MINE: Somerville Mine
LOCATION: Gibson County, Indiana

C. CONTRACT EXECUTED DATE: May 23, 2006

D. CONTRACT DURATION: April 1, 2006 – December 31, 2011

E. CONTRACT AMENDMENTS: Amendment No. 1 effective September 1, 2006, amending payment procedures.
Amendment No. 2 effective November 20, 2006, adding coal synfuel.
Amendment No. 3 effective March 1, 2007, amending payment calculation.
Amendment No.4 effective July 1, 2007, adding tonnage to year 2007.
Amendment No.5 effective January 1, 2008, amending term, tonnage and price.
Amendment No. 6 effective January 1, 2009, amending term, tonnage and price.

F. ANNUAL TONNAGE REQUIREMENTS:

2006	937,500 tons
2007	2,000,000 tons
2008	1,400,000 tons
2009	1,000,000 tons
2010	1,000,000 tons
2011	1,000,000 tons

G. ACTUAL TONNAGE RECEIVED:

	<u>KU</u>	<u>LGE</u>
2006	0 tons	957,654 tons
2007	225,229 tons	1,770,880 tons
2008	181,615 tons	1,142,551 tons
2009	3,106 tons	991,558 tons
2010	0 tons	300,141 tons
	(through 4/30/10)	

H. PERCENT OF ANNUAL REQUIREMENTS:	2006	102%
	2007	100%
	2008	96%
	2009	99%
	2010	30% (through 4/30/10)
I. BASE PRICE (FOB Barge):	2006	\$29.95 per ton – Quality A Barge \$30.36 per ton – Quality B Barge
	2007	\$30.60 per ton – Quality A Barge \$31.02 per ton – Quality B Barge
	2008	\$31.60 per ton – Barge
	2009	\$30.41 – Rail (first 750,000 tons) \$36.25 – Rail (next 250,000 tons)
	2010	\$37.25 per ton
	2011	\$39.25 per ton
J. ESCALATIONS TO DATE:		None
K. CURRENT CONTRACT PRICE:		\$37.25 per ton

A. NAME/ADDRESS: Western Kentucky Minerals, Inc.
 (Contract assigned on November 12, 2008
 from Emerald International) J07029
 P. O. Box 155
 Philpot, KY 42366

B. PRODUCTION FACILITY:
 OPERATOR: Western Kentucky Minerals
 MINE: Joe's Run Mine
 LOCATION: Davies County, Kentucky

C. CONTRACT EXECUTED DATE: August 3, 2007

D. CONTRACT DURATION: July 15, 2007 – August 31, 2010

E. CONTRACT AMENDMENTS: Amendment No. 1 effective September 1,
 2007, amending quantity.
 Amendment No. 2 effective March 1, 2008,
 amending quantity, weights and sampling,
 and price.
 Amendment No. 3 effective May 1, 2008,
 amending quality and price.
 Amendment No. 4 effective January 1,
 2010, extending term to 4/30/10.
 Amendment No. 5 effective May 1, 2010,
 extending term to 8/31/10.

F. ANNUAL TONNAGE REQUIREMENTS:

2007	81,000 tons
2008	300,000 tons
2009	300,000 tons

G. ACTUAL TONNAGE RECEIVED:

	<u>LG&E</u>	<u>KU</u>
2007	66,330 tons	7,571 tons
2008	41,498 tons	149,727 tons
2009	141,450 tons	133,681 tons
2010	22,222 tons	87,502 tons
	(through 4/30/10)	

H. PERCENT OF ANNUAL REQUIREMENTS:

2007	91%
2008	64%
2009	92%
2010	carry-over (through 4/30/10)

I. BASE PRICE (FOB Barge):	2007	\$30.45 per ton (first 60,000 tons)
	2007	\$31.00 per ton (remaining tons)
	2008	\$31.00 per ton (first 20,000 tons)
	2008	\$37.25 per ton (remaining tons)
	2009	\$38.00 per ton

J. ESCALATIONS TO DATE: None

K. CURRENT CONTRACT PRICE: \$38.00 per ton

A. NAME/ADDRESS: Hopkins County Coal LLC / K08027
1717 South Boulder Av., Suite 400
Tulsa, Oklahoma 74119-4886

B. PRODUCTION FACILITY:
OPERATOR: Hopkins County Coal, LLC
MINE: Hopkins County Coal, Webster County
Coal, Gibson County Coal
LOCATION: Hopkins, Webster Counties, Kentucky
Gibson County, Indiana

C. CONTRACT EXECUTED DATE: November 3, 2008

D. CONTRACT DURATION: November 3, 2008 – December 31, 2010

E. CONTRACT AMENDMENTS: None

F. ANNUAL TONNAGE REQUIREMENTS: 2009 200,000 tons
2010 200,000 tons

G. ACTUAL TONNAGE RECEIVED: 2009 208,708 tons
2010 82,788 tons (through 4/30/10)

H. PERCENT OF ANNUAL REQUIREMENTS: 2009 104%
2010 41% (through 4/30/10)

I. BASE PRICE (FOB Plant): 2009 \$50.59 per ton
2010 \$53.12 per ton

J. ESCALATIONS TO DATE: None

K. CURRENT CONTRACT PRICE: \$53.12 per ton

A. NAME/ADDRESS: ICG, LLC/KUF04056
300 Corporate Centre Drive
Scott Depot, West Virginia 25560

B. PRODUCTION FACILITY:
OPERATOR: ICG - Hazard
MINES: Various ICG-Hazard mines
LOCATION: Breathitt, Knott, Perry County, KY

C. CONTRACT EXECUTED DATE: November 11, 2004

D. CONTRACT DURATION: November 13, 2004 – December 31, 2009

E. CONTRACT AMENDMENTS: Amendment No. 1 effective January 1, 2006, amending term, tons, quality & price.
Amendment No. 2 effective Nov. 1, 2005, amending price.
Amendment No. 3 effective September 1, 2006, amending payment procedures.
Amendment No. 4 effective March 1, 2007, amending payment calculation.
Amendment No. 5 effective January 1, 2008, amending term, tonnage and price.
Amendment No. 6 effective January 1, 2009, amending term, tonnage and price.
Amendment No. 7 effective April 1, 2009, amending shipping destination.

F. ANNUAL TONNAGE REQUIREMENTS:

2004	13,500 tons
2005	216,000 tons
2006	260,000 tons
2007	350,000 tons
2008	400,000 tons
2009	200,000 tons

G. ACTUAL TONNAGE RECEIVED:

2004	14,701 tons
2005	172,541 tons
2006	298,967 tons
2007	350,485 tons
2008	350,662 tons
2009	257,013 tons

H. PERCENT OF ANNUAL
REQUIREMENTS:

2004	109%
2005	80%
2006	115%
2007	100%
2008	88%
2009	129%

I. BASE PRICE: (FOB Railcar)

2004	\$49.75 per ton
2005	\$49.75 per ton
2006	\$48.00 per ton
2007	\$48.00 per ton
2008	\$43.25 per ton
2009	\$72.00 per ton

J. ESCALATIONS TO DATE:

None

K. CURRENT CONTRACT PRICE:

\$72.00 per ton

A. NAME/ADDRESS: Marietta Coal Company / KUF05033-LGE05010
629220 Georgetown Road
Cambridge, Ohio 43725

B. PRODUCTION FACILITY:
OPERATOR: Marietta Coal Company
MINE: Belmont Mine
LOCATION: Belmont and Jefferson Counties, Ohio
MINE: West Virginia Strip Mine
LOCATION: Ohio County, West Virginia

C. CONTRACT EXECUTED DATE: November 15, 2004

D. CONTRACT DURATION: October 1, 2004 – May 31, 2010

E. CONTRACT AMENDMENTS: Amendment No. 1 effective June 15, 2005, amending quality and price for two months.
Amendment No. 2 effective September 1, 2006, amending payment terms.
Amendment No. 3 effective March 1, 2007, amending payment calculation.
Amendment No. 4 effective January 1, 2009, amending term through May 31, 2010 to allow for make-up deliveries.

F. ANNUAL TONNAGE REQUIREMENTS:

2004	30,000 tons
2005	200,000 tons
2006	200,000 tons
2007	300,000 tons
2008	300,000 tons

G. ACTUAL TONNAGE RECEIVED:

	<u>KU</u>	<u>LGE</u>
2004	0 tons	13,235 tons
2005	0 tons	104,512 tons
2006	4,977 tons	198,757 tons
2007	5,021 tons	146,281 tons
2008	0 tons	21,436 tons
2009	27,459 tons	43,971 tons
2010	0 tons	16,256 tons
(through 4/30/10)		

H. PERCENT OF ANNUAL REQUIREMENTS:	2004	44%
	2005	52%
	2006	102%
	2007	50%
	2008	7%
	2009	carry-over
	2010	carry-over (through 4/30/10)
I. BASE PRICE (FOB Barge):	2004	\$26.75 per ton
	2005	\$26.75 per ton
	2006	\$27.25 per ton
	2007	\$27.75 per ton
	2008	\$28.25 per ton
J. ESCALATIONS TO DATE:		None
K. CURRENT CONTRACT PRICE:		\$27.75 per ton

- A. NAME/ADDRESS: Nally and Hamilton Enterprises, Inc./
K08018
109 South 4th Street
Bardstown, Kentucky 40004
- B. PRODUCTION FACILITY:
OPERATOR: Nally & Hamilton Enterprises, Inc.
MINES: Balkan, Wolfpen Branch, Big Laurel
LOCATION: Knox, Bell, Harlan, Letcher and Perry
Counties, KY
- C. CONTRACT EXECUTED DATE: May 1, 2008
- D. CONTRACT DURATION: May 1, 2008 - December 31, 2011
- E. CONTRACT AMENDMENTS: None
- F. ANNUAL TONNAGE REQUIREMENTS:
- | <u>EW Brown</u> | |
|-----------------|--------------|
| 2008 | 90,000 tons |
| 2009 | 180,000 tons |
| 2010 | 180,000 tons |
-
- | <u>Ghent</u> | |
|--------------|--------------|
| 2008 | 60,000 tons |
| 2009 | 120,000 tons |
| 2010 | 120,000 tons |
- G. ACTUAL TONNAGE RECEIVED:
- | <u>EW Brown</u> | |
|-----------------|-------------------------------|
| 2008 | 100,368 tons |
| 2009 | 175,943 tons |
| 2010 | 50,487 tons (through 4/30/10) |
-
- | <u>Ghent</u> | |
|--------------|-------------------------------|
| 2008 | 47,666 tons |
| 2009 | 101,786 tons |
| 2010 | 66,100 tons (through 4/30/10) |

H. PERCENT OF ANNUAL
REQUIREMENTS:

EW Brown

2008 112%
2009 98%
2010 28% (through 4/30/10)

Ghent

2008 79%
2009 85%
2010 55% (through 4/30/10)

I. BASE PRICE (FOB Railcar):

EW Brown

2008 \$66.00 per ton
2009 \$67.00 per ton
2010 \$69.00 per ton

BASE PRICE (FOB Railcar):

Ghent

2008 \$52.50 per ton
2009 \$48.50 per ton
2010 \$49.50 per ton

J. ESCALATIONS TO DATE:

EW Brown

None

Ghent

None

K. CURRENT CONTRACT PRICE:

EW Brown

\$69.00 per ton

Ghent

\$49.50 per ton

A. NAME/ADDRESS: Oxford Mining Company – Kentucky, LLC
(contract acquired on 9/30/09 from
Charolais Coal Sales, LLC) / J07003
544 Chestnut Street
Coshocton, Ohio 43812

B. PRODUCTION FACILITY:
OPERATOR: Charolais Coal No.1, LLC & Charolais Coal
Resources, LLC
MINE: Vogue West & Rock Crusher Mines
LOCATION: Muhlenberg County, Kentucky

C. CONTRACT EXECUTED DATE: December 21, 2006

D. CONTRACT DURATION: January 1, 2007 – December 31, 2011

E. CONTRACT AMENDMENTS: Contract assigned from Phoenix Coal Corp.
& Charolais Coal Sales, LLC effective
October 1, 2009. Amendment No. 1, dated
effective October 1, 2009, extending term to
December 31, 2011. Yearly base quantity
amended.

F. ANNUAL TONNAGE REQUIREMENTS:	2007	591,172 tons
	2008	464,372 tons
	2009	756,835 tons
	2010	882,748 tons
	2011	804,873 tons

G. ACTUAL TONNAGE RECEIVED:		<u>KU</u>	<u>LGE</u>
	2007	361,950 tons	229,223 tons
	2008	384,389 tons	79,983 tons
	2009	598,474 tons	192,863 tons
	2010	159,113 tons (through 4/30/10)	123,369 tons

H. PERCENT OF ANNUAL REQUIREMENTS:	2007	100%
	2008	100%
	2009	105%
	2010	32% (through 4/30/10)

I. BASE PRICE (FOB Barge):	2007	\$32.20 per ton
	2008	\$32.75 per ton
	2009	\$34.10 per ton
	2010	\$34.10/\$36.10 per ton
	2010	\$36.10 per ton
J. ESCALATIONS TO DATE:		None
K. CURRENT CONTRACT PRICE:		\$34.10 per ton

A. NAME/ADDRESS: Oxford Mining Company – Kentucky, LLC
 (contract acquired on 9/30/09 from
 Charolais Coal Sales, LLC) / K07031
 544 Chestnut Street
 Coshocton, Ohio 43812

B. PRODUCTION FACILITY:
 OPERATOR: Rapid Energy, Inc., & Phoenix Coal Corp.
 MINE: Caterpillarville, Briar Hill
 LOCATION: Hopkins, Muhlenberg Counties, Kentucky

C. CONTRACT EXECUTED DATE: August 1, 2007

D. CONTRACT DURATION: August 15, 2007 – December 31, 2010

E. CONTRACT AMENDMENTS: Contract assigned from American Mining &
 Manufacturing, LLC.
 Amendment No. 1 effective 1/1/09,
 extended term to December 31, 2010,
 adding delivery points, changing quality
 price and yearly base quantity.
 Contract assigned from Phoenix Coal Corp.
 & Charolais Coal Sales, LLC effective
 October 1, 2009.

F. ANNUAL TONNAGE REQUIREMENTS:	2007	94,273 tons
	2008	74,708 tons
	2009	290,509 tons
	2010	290,509 tons

G. ACTUAL TONNAGE RECEIVED:	2007	94,274 tons
	2008	74,708 tons
	2009	288,514 tons
	2010	95,623 tons (through 4/30/10)

H. PERCENT OF ANNUAL REQUIREMENTS:	2007	100%
	2008	100%
	2009	99%
	2010	33% (through 4/30/10)

I. BASE PRICE (FOB Plant):	2007/2008	\$39.79 per ton
	2008/2009	\$40.46 per ton
	2009	\$40.67 per ton
	2009/2010	\$41.54 per ton
	2010	\$40.42 per ton
	(FOB Barge):	
	2009	\$39.24 per ton
	2009/2010	\$39.44 per ton
	2010	\$40.29 per ton
	2010	\$41.89 per ton
J. ESCALATIONS TO DATE:	None	
K. CURRENT CONTRACT PRICE:		
FOB Barge	\$40.29 per ton	

A. NAME/ADDRESS:	Patriot Coal Sales, LLC / J07037 12312 Olive Boulevard, Suite 400 St. Louis, Missouri 63141		
B. PRODUCTION FACILITY:	Patriot Coal and Ohio County Coal		
OPERATOR:	Patriot and Freedom Mines		
MINE:	Henderson County, Kentucky		
LOCATION:			
C. CONTRACT EXECUTED DATE:	January 15, 2008		
D. CONTRACT DURATION:	January 1, 2008 - December 31, 2011		
E. CONTRACT AMENDMENTS:	Amendment No. 1 effective January 1, 2010, extending term to 12/31/2011.		
F. ANNUAL TONNAGE REQUIREMENTS:	2008	1,250,000 tons	
	2009	1,250,000 tons	
G. ACTUAL TONNAGE RECEIVED:		<u>LG&E</u>	<u>KU</u>
	2008	699,815 tons	470,649 tons
	2009	428,872 tons	733,892 tons
	2010	0 tons	67,552 tons
		(through 4/30/10)	
H. PERCENT OF ANNUAL REQUIREMENTS:	2008	94%	
	2009	93%	
	2010	carry-over (through 4/30/10)	
I. BASE PRICE (FOB Barge):	2008	\$30.00 per ton	
	2009	\$31.00 per ton	
J. ESCALATIONS TO DATE:	None		
K. CURRENT CONTRACT PRICE:	\$31.00 per ton		

A. NAME/ADDRESS:	Patriot Coal Sales, LLC / J09001 12312 Olive Boulevard, Suite 400 St. Louis, Missouri 63141		
B. PRODUCTION FACILITY: OPERATOR:	Patriot Coal, Ohio County Coal and Highland Mining Company, LLC		
MINE:	Patriot, Freedom and HighlandMines		
LOCATION:	Henderson and Union Counties, Kentucky		
C. CONTRACT EXECUTED DATE:	February 24, 2009		
D. CONTRACT DURATION:	January 1, 2009 - December 31, 2010		
E. CONTRACT AMENDMENTS:	None		
F. ANNUAL TONNAGE REQUIREMENTS:	2009	200,000 tons	
	2010	1,000,000 tons	
G. ACTUAL TONNAGE RECEIVED:		<u>LG&E</u>	<u>KU</u>
	2009	63,647 tons	136,923 tons
	2010	141,170 tons	187,859 tons
		(through 4/30/10)	
H. PERCENT OF ANNUAL REQUIREMENTS:	2009	100%	
	2010	33% (through 4/30/10)	
I. BASE PRICE (FOB Barge):	2009	\$38.00 per ton Quality 1 \$49.00 per ton Quality 2	
	2010	\$39.00 per ton Quality 1 \$51.00 per ton Quality 2	
J. ESCALATIONS TO DATE:		\$ 0.946 per ton Quality 1 \$ 1.245 per ton Quality 2	
K. CURRENT CONTRACT PRICE:		\$39.946 per ton Quality 1 \$52.245 per ton Quality 2	

A. NAME/ADDRESS:	Patriot Coal Sales, LLC / J10002 12312 Olive Boulevard, Suite 400 St. Louis, Missouri 63141
B. PRODUCTION FACILITY: OPERATOR:	Patriot Coal, Ohio County Coal and Highland Mining Company, LLC
MINE: LOCATION:	Patriot, Freedom and Highland Mines Henderson and Union Counties, Kentucky
C. CONTRACT EXECUTED DATE:	December 3, 2009
D. CONTRACT DURATION:	January 1, 2010 - December 31, 2011
E. CONTRACT AMENDMENTS:	None
F. ANNUAL TONNAGE REQUIREMENTS:	2010 100,000 tons 2011 200,000 tons
G. ACTUAL TONNAGE RECEIVED:	<u>LG&E</u> <u>KU</u> 2010 0 tons 33,129 tons (through 4/30/10)
H. PERCENT OF ANNUAL REQUIREMENTS:	2010 33% (through 4/30/10)
I. BASE PRICE (FOB Barge):	2010 \$43.00 per ton 2011 \$43.00 per ton
J. ESCALATIONS TO DATE:	\$1.829 per ton
K. CURRENT CONTRACT PRICE:	\$44.829 per ton

A. NAME/ADDRESS:	Patriot Coal Sales, LLC / J10010 12312 Olive Boulevard, Suite 400 St. Louis, Missouri 63141		
B. PRODUCTION FACILITY: OPERATOR:	Patriot Coal, Ohio County Coal and Highland Mining Company, LLC		
MINE:	Patriot, Freedom and Highland Mines		
LOCATION:	Henderson and Union Counties, Kentucky		
C. CONTRACT EXECUTED DATE:	January 20, 2010		
D. CONTRACT DURATION:	January 1, 2010 - December 31, 2011		
E. CONTRACT AMENDMENTS:	None		
F. ANNUAL TONNAGE REQUIREMENTS:	2010	240,000 tons	
	2011	240,000 tons	
G. ACTUAL TONNAGE RECEIVED:		<u>LG&E</u>	<u>KU</u>
	2010	1,597 tons	74,697 tons
		(through 4/30/10)	
H. PERCENT OF ANNUAL REQUIREMENTS:	2010	32% (through 4/30/10)	
I. BASE PRICE (FOB Barge):	2010	\$41.25 per ton	
	2011	\$41.25 per ton	
J. ESCALATIONS TO DATE:	\$ 0.673 per ton		
K. CURRENT CONTRACT PRICE:	\$41.923 per ton		

A. NAME/ADDRESS: Perry County Coal Corp. / KUF06108
200 Allison Blvd.
Corbin, Kentucky 40701

B. PRODUCTION FACILITY:
OPERATOR: Perry County Coal Corp.
MINES: E-4 & E-3 mines
LOCATION: Perry County, KY

C. CONTRACT EXECUTED DATE: July 1, 2005

D. CONTRACT DURATION: January 1, 2006 – December 31, 2011

E. CONTRACT AMENDMENTS: Amendment No. 1 effective September 1, 2006, amending payment procedures.
Amendment No. 2 effective March 1, 2007, amending payment calculation.
Amendment No.3 effective February 7, 2008, extending term and tonnage.
Amendment No. 4 effective March 1, 2009, adding new delivery source and quality.

F. ANNUAL TONNAGE REQUIREMENTS:

2006	120,000 tons
2007	120,000 tons
2008	120,000 tons
2009	120,000 tons
2010	120,000 tons
2011	120,000 tons

G. ACTUAL TONNAGE RECEIVED:

2006	120,077 tons
2007	152,825 tons
2008	138,477 tons
2009	119,047 tons
2010	60,942 (through 4/30/10)

H. PERCENT OF ANNUAL REQUIREMENTS:

2006	100%
2007	127%
2008	115%
2009	99%
2010	51% (through 4/30/10)

I. BASE PRICE (FOB Plant):	2006 \$66.25 per ton delivered price
	2007 \$66.25 per ton delivered price
	2008 \$66.25 per ton delivered price
	2009 \$77.50 per ton delivered price
	2009 \$65.25 per ton fob railcar
	2010 \$65.25 per ton fob railcar
	2010 \$77.50 per ton delivered price
	2011 \$77.50 per ton delivered price
J. ESCALATIONS TO DATE:	None
K. CURRENT CONTRACT PRICE:	\$65.25 per ton fob railcar

A. NAME/ADDRESS:	Rhino Energy, LLC / J08028 3120 Wall Street, Suite 310 Lexington, Kentucky 40513	
B. PRODUCTION FACILITY:		
OPERATOR:	Sands Hill Coal Company	
MINE:	Sands Hill Mine	
LOCATION:	Jackson and Vinton Counties, Ohio	
C. CONTRACT EXECUTED DATE:	July 13, 2008	
D. CONTRACT DURATION:	July 1, 2008 – December 31, 2012	
E. CONTRACT AMENDMENTS:	None	
F. ANNUAL TONNAGE REQUIREMENTS:	2008 90,000 tons 2009 360,000 tons 2010 360,000 tons 2011 360,000 tons 2012 360,000 tons	
G. ACTUAL TONNAGE RECEIVED:	<u>LG&E</u>	<u>KU</u>
	2008 31,033 tons	53,552 tons
	2009 148,063 tons	218,005 tons
	2010 54,335 tons	68,631 tons
	(through 4/30/10)	
H. PERCENT OF ANNUAL REQUIREMENTS:	2008 94% 2009 102% 2010 34% (through 4/30/10)	
I. BASE PRICE (FOB Barge):	2008 \$49.25 per ton 2009 \$49.25 per ton 2010 \$50.25 per ton 2011 \$51.85 per ton 2012 \$53.40 per ton	
J. ESCALATIONS TO DATE:	-\$ 2.97 per ton	
K. CURRENT CONTRACT PRICE:	\$47.28 per ton	

- A. NAME/ADDRESS: Smoky Mountain Coal Corp. / KUF02860-LGE02013
9725 Cogdill Road, Suite 203
Knoxville, Tennessee 42413
- B. PRODUCTION FACILITY:
- | | |
|-----------|------------------------|
| OPERATOR: | KMMC Mining |
| MINES: | Vision #9 |
| LOCATION: | Webster County, KY |
| OPERATOR: | Allied Resources, Inc. |
| MINES: | Onton Resources' Mines |
| LOCATION: | Webster County, KY |
- C. CONTRACT EXECUTED DATE: February 27, 2002
- D. CONTRACT DURATION: January 1, 2002 – December 31, 2009
- E. CONTRACT AMENDMENTS:
- Amendment No. 1 effective January 1, 2004, amending term, quantity, quality and price.
Amendment No. 2 effective January 1, 2006, amending term, quantity, quality and price.
Amendment No. 3 effective September 1, 2006, amending payment procedures.
Amendment No. 4 effective January 1, 2007, amending term, quantity and price.
Amendment No. 5 effective March 1, 2007, amending payment calculation.
- F. ANNUAL TONNAGE REQUIREMENTS:
- | | |
|------|----------------|
| 2002 | 400,000 tons |
| 2003 | 450,000 tons |
| 2004 | 600,000 tons |
| 2005 | 700,000 tons |
| 2006 | 1,200,000 tons |
| 2007 | 850,000 tons |
| 2008 | 950,000 tons |
| 2009 | 400,000 tons |

G. ACTUAL TONNAGE RECEIVED:	<u>KU</u>	<u>LGE</u>
	2002 52,826 tons	332,114 tons
	2003 203,370 tons	275,536 tons
	2004 279,667 tons	314,929 tons
	2005 339,349 tons	357,881 tons
	2006 552,154 tons	600,627 tons
	2007 380,192 tons	517,857 tons
	2008 182,352 tons	167,819 tons
	2009 0 tons	0 tons
H. PERCENT OF ANNUAL REQUIREMENTS:	2002 96%	
	2003 106%	
	2004 99%	
	2005 100%	
	2006 96%	
	2007 106 %	
	2008 37%	
	2009 0%	
I. BASE PRICE (FOB Barge):	2002 \$25.85 per ton – Quality A	
	2003 \$25.85 per ton – Quality A	
	2004 \$26.75 per ton – Quality A	
	2004 \$22.85 per ton – Quality C	
	2005 \$23.74 per ton – Quality C	
	2006 \$28.25 per ton – Quality C	
	2007 \$30.22 per ton – Quality C	
	2008 \$31.00 per ton – Quality C	
	2009 \$35.95 per ton – Quality C	
J. ESCALATIONS TO DATE:	None	
K. CURRENT CONTRACT PRICE:	\$31.00 per ton – Quality C	

A. NAME/ADDRESS: The American Coal Company / J08016
101 Prosperous Place, Suite 125
Lexington, Kentucky 40509

B. PRODUCTION FACILITY:
OPERATOR: The American Coal Company
MINES: Galatia Mine
LOCATION: Saline County, Illinois

C. CONTRACT EXECUTED DATE: April 1, 2008

D. CONTRACT DURATION: July 1, 2008 - December 31, 2010

E. CONTRACT AMENDMENTS: None

F. ANNUAL TONNAGE REQUIREMENTS:

2008	280,000 tons
2009	600,000 tons
2010	600,000 tons

G. ACTUAL TONNAGE RECEIVED:

	<u>KU</u>	<u>LGE</u>
2008	203,131 tons	35,918 tons
2009	589,290 tons	0 tons
2010	243,332 tons (through 4/30/10)	0 tons

H. PERCENT OF ANNUAL REQUIREMENTS:

2008	85%
2009	98%
2010	41% (through 4/30/10)

I. BASE PRICE (FOB Plant): Green River

2008	\$66.00 per ton
2009	\$66.00 per ton
2010	\$66.00 per ton

BASE PRICE (FOB Barge):

2008	\$54.00 per ton
2009	\$54.00 per ton
2010	\$54.00 per ton

J. ESCALATIONS TO DATE: FOB Plant
\$1.52 per ton

FOB Barge
\$1.35 per ton

A. NAME/ADDRESS: The American Coal Company / J10005
101 Prosperous Place, Suite 125
Lexington, Kentucky 40509

B. PRODUCTION FACILITY:
OPERATOR: The American Coal Company
MINES: Galatia Mine
LOCATION: Saline County, Illinois

C. CONTRACT EXECUTED DATE: December 23, 2009

D. CONTRACT DURATION: January 1, 2010 - December 31, 2014

E. CONTRACT AMENDMENTS: None

F. ANNUAL TONNAGE REQUIREMENTS:
2010 250,000 tons
2011 750,000 tons

G. ACTUAL TONNAGE RECEIVED:
2010 KU 73,253 tons LGE 0 tons
(through 4/30/10)

H. PERCENT OF ANNUAL REQUIREMENTS:
2010 29% (through 4/30/10)

I. BASE PRICE (FOB Barge):
2010 \$43.00 per ton
2011 \$46.00 per ton

J. ESCALATIONS TO DATE: \$ 0.19 per ton

K. CURRENT CONTRACT PRICE: \$43.19 per ton

- A. NAME/ADDRESS: Trinity Coal Marketing (Little Elk Mining Co., LLC) / KUF05109
1051 Main Street, Suite 100
Milton, W.Va. 25541
- B. PRODUCTION FACILITY:
OPERATOR: Little Elk Mining Co., LLC
MINES: Little Elk Mine
LOCATION: Breathitt, Knott, Perry County, KY
- C. CONTRACT EXECUTED DATE: August 1, 2005
- D. CONTRACT DURATION: January 1, 2006 – December 31, 2011
- E. CONTRACT AMENDMENTS: Amendment No. 1 effective September 1, 2006, amending payment procedures.
Amendment No. 2 effective March 1, 2007, amending payment calculation.
Amendment No.3 effective January 1, 2008, amending tonnage and price for year 2008.
Amendment No. 4 effective May 1, 2008, assigning contract to Trinity Coal Marketing, LLC, extension of term to December 31, 2011, additional tonnage of 1,000,000 per year 2009-2011.
Amendment No. 5 effective July 1, 2008, changing quarterly fuel adjustment to monthly adjustment on truck delivered tonnage.
- F. ANNUAL TONNAGE REQUIREMENTS: ⊕
- | | |
|------|----------------|
| 2006 | 270,000 tons |
| 2007 | 500,000 tons |
| 2008 | 800,000 tons |
| 2009 | 1,130,000 tons |
| 2010 | 1,000,000 tons |
| 2011 | 1,000,000 tons |
- G. ACTUAL TONNAGE RECEIVED:
- | | |
|------|--------------------------------|
| 2006 | 259,230 tons |
| 2007 | 445,965 tons |
| 2008 | 792,595 tons |
| 2009 | 1,050,007 tons |
| 2010 | 357,875 tons (through 4/30/10) |

H. PERCENT OF ANNUAL
REQUIREMENTS:

2006	96%
2007	89%
2008	99%
2009	93%
2010	36% (through 4/30/10)

I. BASE PRICE (FOB Railcar):

2006	\$47.35 per ton
2007	\$47.35 per ton
2008	\$44.59 per ton
2009	\$63.85 per ton
2010	\$63.00 per ton
2011	\$61.00 per ton

J. ESCALATIONS TO DATE:

None

K. CURRENT CONTRACT PRICE:

\$63.00 per ton

A. NAME/ADDRESS:	Western Kentucky Minerals, Inc. / J10001 P.O. Box 155 Philpot, Kentucky 42366	
B. PRODUCTION FACILITY: OPERATOR: MINES: LOCATION:	Western Kentucky Minerals, Inc. Joe's Run and Sun Energy Mines Daviess County, Kentucky and Pike County, Indiana	
C. CONTRACT EXECUTED DATE:	December 8, 2009	
D. CONTRACT DURATION:	April 1, 2010 - December 31, 2012	
E. CONTRACT AMENDMENTS:	None	
F. ANNUAL TONNAGE REQUIREMENTS:	2010 253,300 tons 2011 403,300 tons 2012 403,300 tons	
G. ACTUAL TONNAGE RECEIVED:	<u>KU</u>	<u>LGE</u>
	2010 6,271 tons (through 4/30/10)	0 tons
H. PERCENT OF ANNUAL REQUIREMENTS:	2010 2% (through 4/30/10)	
I. BASE PRICE (FOB Barge):	2010 \$48.35 per ton 2011 \$48.35 per ton 2012 \$48.35 per ton	
J. ESCALATIONS TO DATE:	\$ 8.40 per ton	
K. CURRENT CONTRACT PRICE:	\$56.75 per ton	

KENTUCKY UTILITIES COMPANY

**Response to Information Requested in Appendix of
Commission's Order Dated August 13, 2010**

Case No. 2010-00266

Question No. 9

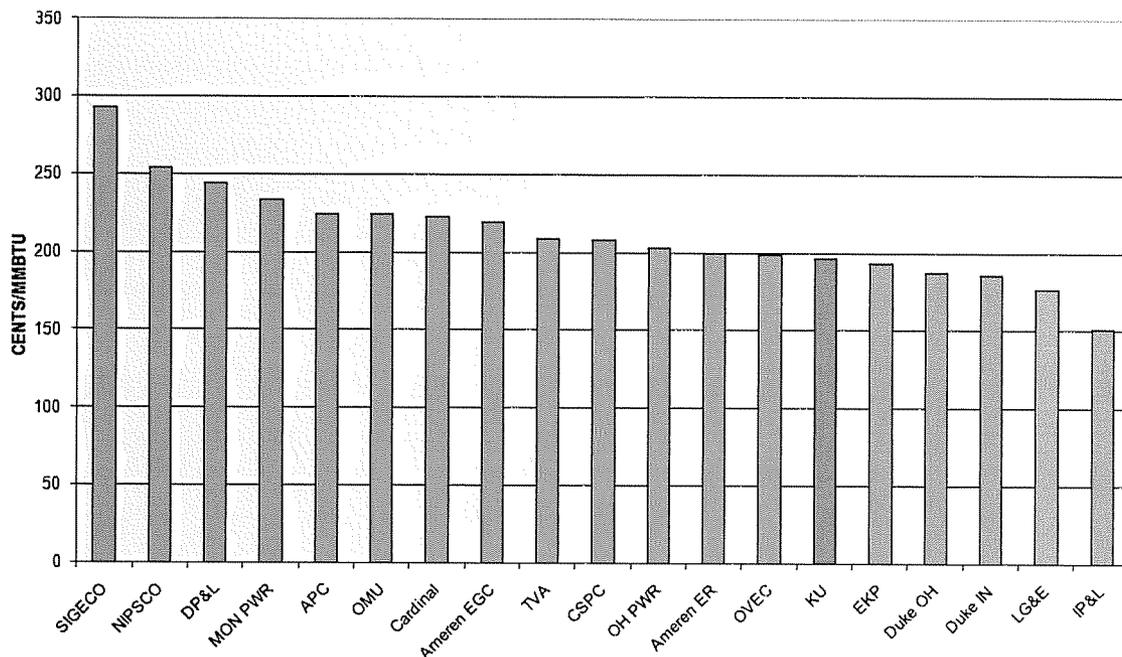
Witness: Mike Dotson

- Q-9. a. State whether KU regularly compares the price of its coal purchases with those paid by other electric utilities.
- b. If yes, state:
- (1) How KU's prices compare with those of other utilities for the review period; and
 - (2) The utilities that are included in this comparison and their locations.
- A-9. a. Yes.
- b. KU compares pricing of its coal purchases with neighboring utilities from FERC Form No. 423 data that is compiled by Energy Velocity database. The utilities included in the comparison are shown on the list found on page 1 of the Attachment to this response. The first chart found on page 2 of the Attachment shows the comparison for coal greater than 5.0 lbs. SO₂ content, which are in line with KU's scrubbed units. The second chart found on page 2 of the Attachment shows the comparison for coal less than 5.0 lbs. SO₂, which would be in line with KU's non-scrubbed units, Tyrone Station for NYMEX coal, Brown Station for low sulfur coal, and Green River Station for mid-sulfur coal.

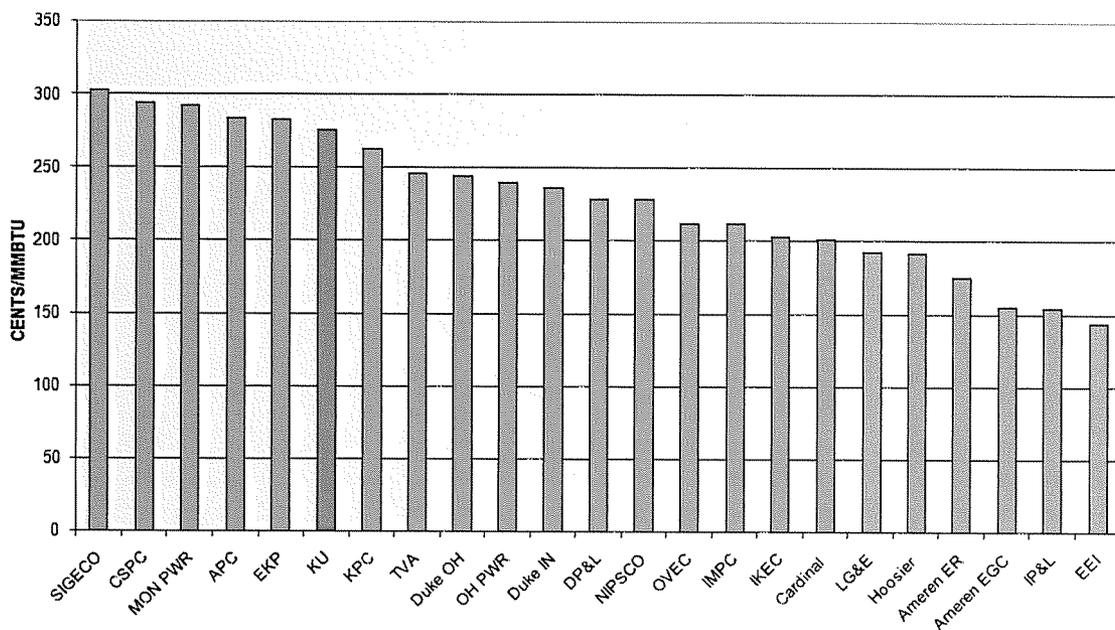
Utilities in Comparison List

UTILITY	ABBREVIATED	PLANT LOCATIONS
AmerenEnergy Generating Co	Ameren ER	Illinois
AmerenEnergy Resources Generating Co	Ameren EGC	Illinois
Appalachian Power Co	APC	Virginia, West Virginia
Cardinal Operating (AEP)	Cardinal	Ohio
Columbus Southern Power Co	CSPC	Kentucky, Ohio
Dayton Power & Light Co (The)	DP&L	Ohio
Duke Energy Indiana	Duke IN	Indiana
Duke Energy Ohio	Duke OH	Ohio
East Kentucky Power Coop	EKP	Kentucky
Electric Energy Inc	EEI	Illinois
Hoosier Energy Rural Electric Coop Inc	Hoosier	Indiana
Indiana Kentucky Electric Corp	IKEC	Indiana
Indiana Michigan Power Co	IMPC	Indiana
Indianapolis Power & Light	IP&L	Indiana
Kentucky Power Co	KPC	Kentucky
Kentucky Utilities Co	KU	Kentucky
Louisville Gas & Electric Co	LG&E	Kentucky
Monongahela Power Co	MON PWR	West Virginia
Northern Indiana Public Service Co	NIPSCO	Indiana
Ohio Power Co	OH PWR	Ohio, West Virginia
Ohio Valley Electric Corp	OVEC	Ohio
Owensboro Municipal Utilities	OMU	Kentucky
Southern Indiana Gas & Electric Co	SIGECO	Indiana
Tennessee Valley Authority	TVA	Alabama, Kentucky, Tennessee

"SCRUBBED" PRICE COMPARISON
(May 09 - Apr 10)



"NON-SCRUBBED" PRICE COMPARISON COAL
(May 09 - Apr 10)



KENTUCKY UTILITIES COMPANY

**Response to Information Requested in Appendix of
Commission's Order Dated August 13, 2010**

Case No. 2010-00266

Question No. 10

Witness: Mike Dotson

Q-10. State the percentage of KU's coal, as of the date of this Order, that is delivered by:

- a. Rail;
- b. Truck; or
- c. Barge.

A-10. a. Rail - 12%

b. Truck - 6%

c. Barge - 82%

KENTUCKY UTILITIES COMPANY

**Response to Information Requested in Appendix of
Commission's Order Dated August 13, 2010**

Case No. 2010-00266

Question No. 11

Witness: Mike Dotson

- Q-11. a. State KU's coal inventory level in tons and in number of days' supply as of April 30, 2010. Provide this information by generating station and in the aggregate.
- b. Describe the criteria used to determine number of days' supply.
- c. Compare KU's coal inventory as of April 30, 2010 to its inventory target for that date.
- d. If actual coal inventory exceeds inventory target by 10 days' supply, state the reasons for excessive inventory.
- e. (1) State whether KU expects any significant changes in its current coal inventory target within the next 12 months.
- (2) If yes, state the expected change and the reasons for this change.

A-11. a. As of April 30, 2010:

EW Brown	183,297 Tons; 28 Days	Target 24 – 38 Days
Ghent	1,105,218 Tons; 53 Days	Target 24 – 43 Days
Green River	103,656 Tons; 49 Days	Target 33 – 69 Days
Tyrone	16,881 Tons; 20 Days	Target 29 – 76 Days
Trimble - PRB	69,315 Tons; N/A	
Total	1,478,367 Tons; 48 Days	Target 26 – 46 Days

- b. The method of calculating days in inventory is based on each plant's coal burn capability (coal tons divided by 90% of each generating unit's heat input description from its air permit to operate).

Upper and lower tons/day targeted inventory days were established for each plant taking into consideration each plant's operating parameters. Each plant's "least cost" inventory range is established annually during the planning

process based on historical coal burn/receipt variances, procurement reaction time for long-term fuel supply agreements, current coal and electricity prices offset by carrying and outage costs.

- c. See (a) above.
- d. Ghent exceeded inventory target by 10 days, due to the delay in the start-up of Trimble County Unit 2. The high sulfur tons were spread among high sulfur barge plants.
- e. (1) KU does not expect significant changes in its current coal inventory target levels; however, during the Companies' planning cycle minor adjustments may be made to the inventory targets if warranted.

(2) Not applicable.

KENTUCKY UTILITIES COMPANY

**Response to Information Requested in Appendix of
Commission's Order Dated August 13, 2010**

Case No. 2010-00266

Question No. 12

Witness: Mike Dotson

- Q-12. a. State whether KU has audited any of its coal contracts during the period from November 1, 2009 through April 30, 2010.
- b. If yes, for each audited contract:
- (1) Identify the contract;
 - (2) Identify the auditor;
 - (3) State the results of the audit; and
 - (4) Describe the actions that KU took as a result of the audit.

- A-12. a. No. KU has not conducted any financial audits of coal companies. KU's current coal contracts are fixed price or a portion of the base contract price is adjusted using government published indices to reflect the changes in the cost. These agreements thus do not require audits. KU's Manager Fuels Technical Services or Mining Engineer does conduct scheduled on-site reviews and inspections of the mining operations and sampling systems of each vendor up to twice a year and may conduct unscheduled visits. Additionally, KU employees may visit a vendor as needed to address problems and issues at any time.

Coal mine safety regulations were imposed by the Federal Mine Safety and Health Administration. The U. S. Congress passed the Mine Improvement and New Emergency Response Act of 2006 (MINER Act), which became law on June 15, 2006. For claims received, KU has hired Weir International, Inc. (a consultant with experience in the mining industry) to review the requests.

Smoky Mountain Coal, in accordance with the provisions of Section 8.3 New Imposition of Agreement KUF-02860, requested a price increase of \$1.48 per ton for the period July 1, 2007 – May 31, 2008, and a price increase of \$0.88 per ton for the period of June 1, 2008 – September 30, 2008. Weir is reviewing the claims for this period. As indicated in the response to Question No. 14, KU is currently in litigation on this contract.

Coalsales, LLC, in accordance with the provisions of Section of 8.4 New Imposition of Agreement KUF05021, requested a price increase for the period March – December 2006 of \$70,544.00 and for calendar year 2008 of \$125,559.00. After the Weir and KU reviews, KU agreed on a settlement of \$55,000.00. KU previously paid \$70,544.00 on the request; therefore, KU will be due a refund of \$15,554. A Settlement Agreement and Release document is being reviewed by Coalsales.

Coalsales, LLC, in accordance with the provisions of Section of 8.4 New Imposition of Agreement KUF06118/LGE06012, requested a price increase for calendar year 2007 of \$322,123.00. After the Weir and KU/LGE reviews, the Companies agreed on a settlement of \$83,000.00. The Companies previously paid \$264,461.97 on the request; therefore, KU/LGE received a refund of \$184,481.97 on June 29, 2010. A copy of the Settlement Agreement and Release is being filed with the Commission under seal pursuant to a Petition for Confidential Treatment.

Infinity Coal Sales, in accordance with the provisions of Section of 8.4 New Imposition of Agreement KUF06105, requested a price increase for calendar year 2007 and 2008 of \$1,590,035.00. After the Weir and KU reviews, KU agreed on a settlement of \$154,500.00, which was paid on June 30, 2010. A copy of the Settlement Agreement and Release is being filed with the Commission under seal pursuant to a Petition for Confidential Treatment.

Alpha Natural Resources, in accordance with the provisions of Section 8.4 New Impositions of Agreements K07002 and KUF05013 and Section 8.5 New Impositions of Agreement K06001, has requested price increases ranging from \$0.0012 per ton up to \$0.37 per ton for various time periods. The claims are for the period of February 8, 2006, through December 31, 2008. The Weir report has been forwarded to Alpha for review.

Hopkins County, in accordance with the provisions of Section 21 Governmental Impositions of Agreement K07015, has requested a price increase of \$0.97 per ton for 2008. The Weir Report has been forwarded to Hopkins for review.

Perry County Coal Corporation, in accordance with the provisions of Section 8.5 New Impositions of Agreement KUF06108, requested a price increase for the period of January 1, 2006 – December 31, 2008, of \$206,012.75. After the Weir and KU reviews, KU agreed on a settlement of \$109,718.98. KU previously paid \$109,397.04 on the request; therefore, final settlement payment of \$321.91 was made on June 8, 2010. A copy of the Settlement Agreement and Release is being filed with the Commission under seal pursuant to a Petition for Confidential Treatment.

Perry County Coal Corporation, in accordance with the provisions of Section 8.4 New Impositions of Agreement KUF06125, requested a price increase for the period of January 1, 2006 – March 18, 2009 of \$568,505.71. After the Weir and KU reviews, KU agreed on a settlement of \$365,281.05. KU previously paid \$364,209.35 on the request; therefore, final settlement payment of \$1,071.70 was made on June 8, 2010. A copy of the Settlement Agreement and Release is being filed with the Commission under seal pursuant to a Petition for Confidential Treatment.

Patriot Coal Sales LLC, in accordance with the provisions of Section 8.4 New Impositions of Agreement J07037, has requested price increases for the period of January 1, 2008 – December 31, 2009, of \$1,145,520.82. After the Weir and KU/LGE reviews, the Companies agreed on a settlement of \$481,513.00, which was paid on June 30, 2010. A copy of the Settlement Agreement and Release is being filed with the Commission under seal pursuant to a Petition for Confidential Treatment.

Patriot Coal Sales LLC, in accordance with the provisions of Section 8.5 Price Adjustments for Changes in Governmental Impositions of Contract J09001, requested price increases for the period of January 1 – December 31, 2009, of \$156,577.92. After the Weir and KU/LGE reviews, the Companies agreed on a settlement of \$74,800.00, which was paid on August 24, 2010. A copy of the Settlement Agreement and Release is being filed with the Commission under seal pursuant to a Petition for Confidential Treatment.

Armstrong Coal Company, in accordance with the provisions of Section 8.5 New Impositions of Agreement J07032, has requested a price increase for the period of April – June 2009, of \$163,991.00. After the Weir and KU/LGE reviews, the Companies agreed on an assessment of \$107,830.00, which was paid on March 22, 2010. A copy of the Weir's March 8, 2010, report is being filed with the Commission under seal pursuant to a Petition for Confidential Treatment. Armstrong Coal Company has requested a price increase for the period of July – September 2009; the request is under review.

- b. Not applicable

KENTUCKY UTILITIES COMPANY

**Response to Information Requested in Appendix of
Commission's Order Dated August 13, 2010**

Case No. 2010-00266

Question No. 13

Witness: Robert M. Conroy

- Q-13. a. State whether KU has received any customer complaints regarding its FAC during the period from November 1, 2009 through April 30, 2010.
- b. If yes, for each complaint, state:
(1) The nature of the complaint; and
(2) KU's response.
- A-13. a. No.
- b. Not applicable.

KENTUCKY UTILITIES COMPANY

**Response to Information Requested in Appendix of
Commission's Order Dated August 13, 2010**

Case No. 2010-00266

Question No. 14

Witness: Mike Dotson

- Q-14. a. State whether KU is currently involved in any litigation with its current or former coal suppliers.
- b. If yes, for each litigation:
- (1) Identify the coal supplier;
 - (2) Identify the coal contract involved;
 - (3) State the potential liability or recovery to KU;
 - (4) List the issues presented; and
 - (5) Provide a copy of the complaint or other legal pleading that initiated the litigation and any answers or counterclaims. If a copy has previously been filed with the Commission, provide the date on which it was filed and the case in which it was filed.
- c. State the current status of all litigation with coal suppliers.
- A-14. a. Yes
- b. **Coal Supply Agreement KUF-06145**
- (1) Bronco Hazelton Company
 - (2) Coal Supply Agreement KUF-06145 dated August 8, 2003, filed for Chapter 11 bankruptcy on May 22, 2006. KU filed a Proof of Claims on January 16 and 17, 2007.
 - (3) KU seeks to recover damages sustained by KU arising from the non-delivery of 445,910 tons of coal.
 - (4) KU claimed that the Debtor failed to make delivery of 445,910 tons of coal provided by the Coal Supply Agreement and thereby breached the Coal Supply Agreement.

(5) Bronco Hazelton Company's voluntary petition for Chapter 11 bankruptcy filed in the United States Bankruptcy Court in the Southern District of Indiana was filed with the Commission in Case No. 2006-00509.

c. On May 22, 2006, the United States Bankruptcy Court in the Southern District of Indiana entered an order granting motion to reject the coal supply agreement from Chapter 11 protection and preserving KU's rights and claims related to the coal supply agreement. A copy of the order was filed with the Commission in Case No. 2006-00509. The bankruptcy case was dismissed on August 11, 2010, and KU is evaluating its options for pursuing damages outside bankruptcy.

b. **Coal Supply Agreement KUF02860/LGE02013**

(1) Resource Sales, Inc. ("Resource"), Allied resources, Inc. ("Allied"), Cochise Coal Company, Inc. ("Cochise"), and Smoky Mountain Coal Corporation ("SMCC")

(2) Coal Purchase Order KUF-02860 dated as of January 1, 2002, as amended.

(3) KU seeks to recover damages sustained by KU arising from the non-delivery of 1,019,829 tons of coal. Plaintiffs seek to have the court interpret the force majeure provision in the Agreement and to recover the amount of payments withheld by KU to offset KU's claim for damages.

(4) Plaintiffs claim the force majeure provision should be interpreted in such a way that KU is not entitled to any more deliveries of coal pursuant to the Agreement. KU disagrees and withheld certain payments, as permitted under the Agreement and demands that the Plaintiffs resume deliveries as required under the Agreement.

(5) A copy of the Complaint filed by the Plaintiffs in the Circuit Court of Webster County, Kentucky, Civil Action No. 08-CI-00334, a copy of the First Amended Complaint filed by the Plaintiffs in the Circuit Court of Webster, Kentucky, Civil Action No. 08-CI-00334, and a copy of the Answer and Counterclaim filed by KU was filed with the Commission in Case No. 2008-00520.

c. This case is in the discovery phase and is ongoing.

KENTUCKY UTILITIES COMPANY

**Response to Information Requested in Appendix of
Commission's Order Dated August 13, 2010**

Case No. 2010-00266

Question No. 15

Witness: Mike Dotson

- Q-15. a. During the period from November 1, 2009 through April 30, 2010, have there been any changes to KU's written policies and procedures regarding its fuel procurement?
- b. If yes:
- (1) Describe the changes;
 - (2) Provide the written policies and procedures as changes;
 - (3) State the date(s) the changes were made; and
 - (4) Explain why the changes were made.

A-15. a. No.

b. Not applicable.

KENTUCKY UTILITIES COMPANY

**Response to Information Requested in Appendix of
Commission's Order Dated August 13, 2010**

Case No. 2010-00266

Question No. 16

Witness: Mike Dotson

- Q-16. a. State whether KU is aware of any violations of its policies and procedures regarding fuel procurement that occurred prior to or during the period from November 1, 2009 through April 30, 2010.
- b. If yes, for each violation:
- (1) Describe the violation;
 - (2) Describe the action(s) that KU took upon discovering the violation; and
 - (3) Identify the person(s) who committed the violation.

A-16. a. No.

b. Not applicable.

KENTUCKY UTILITIES COMPANY

**Response to Information Requested in Appendix of
Commission's Order Dated August 13, 2010**

Case No. 2010-00266

Question No. 17

Witness: Mike Dotson

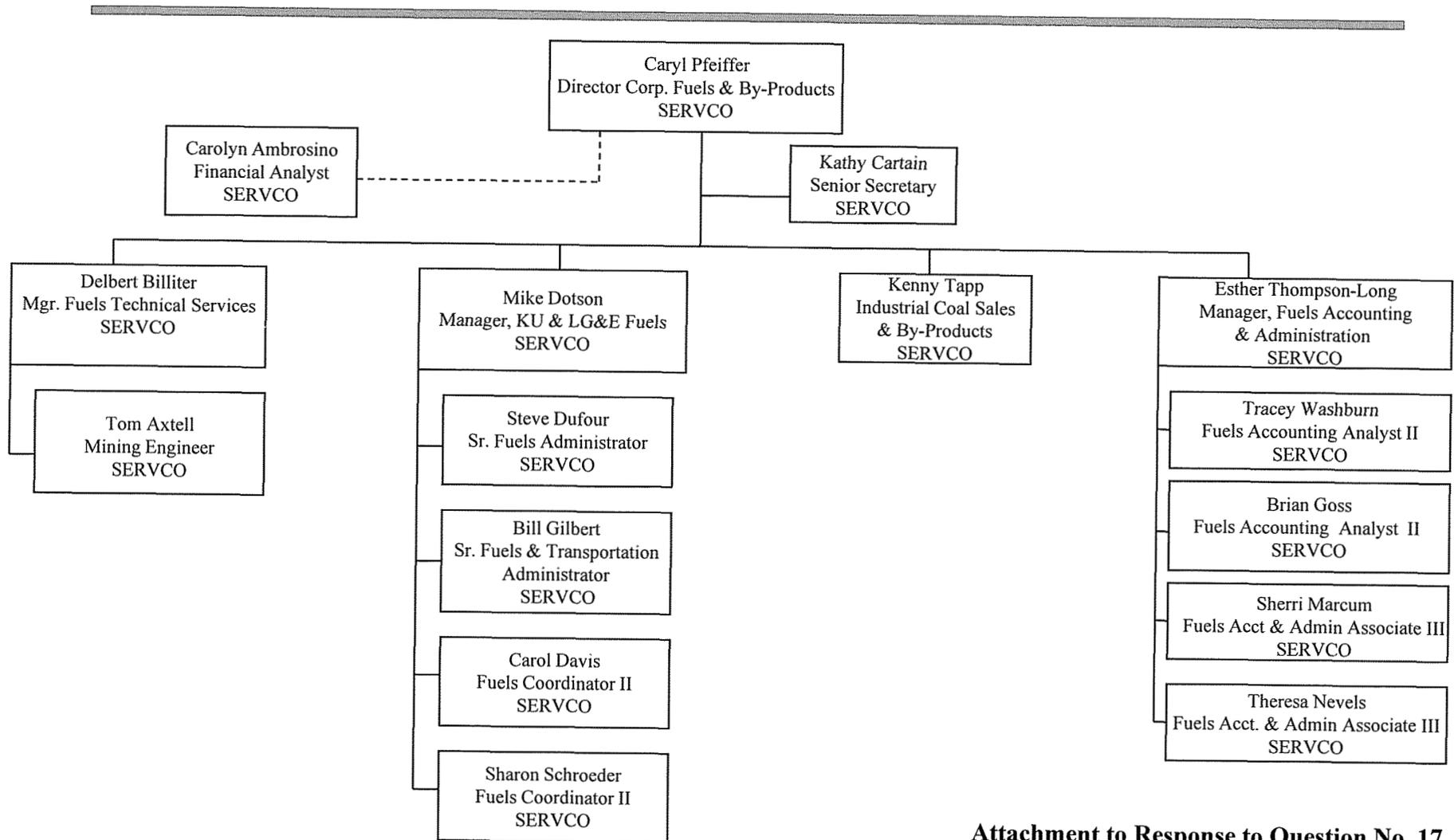
Q-17. Identify and explain the reasons for all changes that occurred during the period from November 1, 2009 through April 30, 2010 in the organizational structure and personnel of the departments or divisions that are responsible for KU's fuel procurement activities.

A-17. Please see the attached sheet.

The following changes occurred in the Fuels Department during the period under review. Linda Talley, Fuels Accounting Analyst II, left the company on April 10, 2010. Brian Goss joined the Department on June 21, 2010, as Fuels Accounting Analyst II.

Corporate Fuels and By-Products

August 2010



KENTUCKY UTILITIES COMPANY

**Response to Information Requested in Appendix of
Commission's Order Dated August 13, 2010**

Case No. 2010-00266

Question No. 18

Witness: David L. Tummonds

- Q-18. a. Identify all changes that KU has made during the period under review to its maintenance and operation practices that also affect fuel usage at KU's generation facilities.
- b. Describe the impact of these changes on KU's fuel usage.
- A-18. a. None.
- b. Not applicable.

KENTUCKY UTILITIES COMPANY

**Response to Information Requested in Appendix of
Commission's Order Dated August 13, 2010**

Case No. 2010-00266

Question No. 19

Witness: Mike Dotson

Q-19. List each written coal supply solicitation issued during the period from November 1, 2009 through April 30, 2010.

- a. For each solicitation, provide the date of the solicitation, the type of solicitation (contract or spot), the quantities solicited, a general description of the quality of coal solicited, the time period over which deliveries were requested, and the generating unit(s) for which the coal was intended.
- b. For each solicitation, state the number of vendors to whom the solicitation was sent, the number of vendors who responded, and the selected vendor. Provide the bid tabulation sheet or corresponding document that ranked the proposals. (This document should identify all vendors who made offers.) State the reasons for each selection.

A-19. In Case No. 2009-00507, a review of KU's FAC for the period May 1, 2009 through October 31, 2009, the final selection of the vendors who responded to the solicitation dated September 7, 2009, was not complete at the time the data responses were filed. The requested information for selected vendors is provided below.

- a. Date: Date: September 7, 2009
Contract/Spot: Contract or Spot
Quantities: No minimum or maximum specified
Quality: Suitable for LG&E power plants and KU's Ghent power plant (beginning year 2010)
Period: Up to 10 years
Generating Units: All LG&E coal fired units and KU's Ghent power plant (beginning year 2010)
- b. Number of vendors receiving bids: 165
Number of vendors responded: 18
Selected vendors: The vendors selected were based upon the lowest evaluated delivered cost.

Patriot Coal Sales, J10010
The American Coal Sales Company, J10005
Consol Energy (Consolidation Coal Company) J10008
Coaltrade, LLC L10006

The bid analysis information is confidential and proprietary information and is being filed with the Commission under seal pursuant to a Petition for Confidential Protection.

- a. Date: January 25, 2010
Contract/Spot: Spot
Quantities: No minimum or maximum specified
Quality: "Middlings" coal suitable for LG&E's Mill Creek and Trimble County power plants and KU's Ghent power plant (beginning year 2010)
Period: Up to 12 months
Generating Units: LG&E's Mill Creek and Trimble County power plants and KU's Ghent power plant (beginning year 2010)
- b. Number of vendors receiving bids: 23
Number of vendors responded: 4
Selected vendor(s): The vendor selected was based upon the lowest evaluated delivered cost.

Arch Coal Sales, J10025

The bid analysis information is confidential and proprietary information and is being filed with the Commission under seal pursuant to a Petition for Confidential Protection.

- a. Date: March 1, 2010
Contract/Spot: Contract or Spot
Quantities: No minimum or maximum specified
Quality: Suitable for LG&E power plants and KU's Ghent power plant (beginning year 2011)
Period: Up to 10 years
Generating Units: All LG&E coal fired units and KU's Ghent power plant (beginning year 2011)
- b. Number of vendors receiving bids: 155
Number of vendors responded: 25 companies / 42 offers
Selected vendor(s): The final selection of the vendors has not been made at this time. Negotiations are still in progress. The names of the selected vendors and the supporting bid tabulation sheet will be provided to the Commission after the negotiations are complete and the vendors are chosen.

KENTUCKY UTILITIES COMPANY

**Response to Information Requested in Appendix of
Commission's Order Dated August 13, 2010**

Case No. 2010-00266

Question No. 20

Witness: Mike Dotson

Q-20. List each oral coal supply solicitation issued during the period from November 1, 2009 through April 30, 2010.

- a. For each solicitation, state why the solicitation was not written, the date(s) of the solicitation, the quantities solicited, a general description of the quality of coal solicited, the time period over which deliveries were requested, and the generating unit(s) for which the coal was intended.
- b. For each solicitation, identify all vendors solicited and the vendor selected. Provide the tabulation sheet or other document that ranks the proposals. (This document should identify all vendors who made offers.) State the reasons for each selection.

A-20. Due to the immediate need of middlings at KU's Ghent Station, a phone solicitation was conducted in lieu of a formal written solicitation. Coal middlings is a particular coal product of high ash and low sulfur. The generating stations use a blend of coal middlings to clean (on line) the boiler of slag.

- a. Date: September 17, 2009
Contract/Spot: Spot
Quantities: 10,000 tons per month
Quality: Middlings
Period: September through December 2009
Generating Units: KU's Ghent power plant
- b. Number of vendors contacted: 8
Number of vendors responded: 5
Selected vendors: The vendors selected were based upon the lowest evaluated delivered cost.

Cumberland Elkhorn Coal & Coke K09039
CSV, Inc. K09040

The bid analysis information is confidential and proprietary information and is being filed with the Commission under seal pursuant to a Petition for Confidential Protection.

KENTUCKY UTILITIES COMPANY

**Response to Information Requested in Appendix of
Commission's Order Dated August 13, 2010**

Case No. 2010-00266

Question No. 21

Witness: Robert M. Conroy

- Q-21. a. List all intersystem sales during the period under review in which KU used a third party's transmission system.
- b. For each sale listed above:
- (1) Describe how KU addressed for FAC reporting purposes the cost of fuel expended to cover any line losses incurred to transmit its power across the third party's transmission system; and
 - (2) State the line loss factor used for each transaction and describe how that line loss factor was determined.
- A-21. a. There are no inter-system sales during the review period which required a third party's transmission system.
- b. (1) Not applicable.
- (2) Not applicable.

KENTUCKY UTILITIES COMPANY

**Response to Information Requested in Appendix of
Commission's Order Dated August 13, 2010**

Case No. 2010-00266

Question No. 22

Witness: Robert M. Conroy

- Q-22. Describe each change that KU made during the period under review to its methodology for calculating intersystem sales line losses.
- A-22. There have been no changes. KU continues to use a line loss factor of one percent to determine the cost of fuel associated with line losses incurred to make an intersystem sale and recovered from such sale consistent with the Commission's August 30, 1999 Order in Case Nos. 94-461-A, 94-461-B, 94-461-C and 96-523 and the March 25, 2003 Order in Case No. 2002-00224.

KENTUCKY UTILITIES COMPANY

**Response to Information Requested in Appendix of
Commission's Order Dated August 13, 2010**

Case No. 2010-00266

Question No. 23

Witness: Mike Dotson

Q-23. State whether KU has solicited bids for coal with the restriction that it was not mined through strip mining or mountain top removal. If yes, explain the reasons for the restriction on the solicitation, the quantity in tons and price per ton of the coal purchased as a result of this solicitation, and the difference between the price of this coal and the price it could have obtained for the coal if the solicitation had not been restricted.

A-23. KU has not solicited bids with this restriction.

RECEIVED
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PUBLIC SERVICE
COMMISSION

COMMONWEALTH OF KENTUCKY
BEFORE THE PUBLIC SERVICE COMMISSION

In the Matter of:

AN EXAMINATION OF THE)
APPLICATION OF THE FUEL)
ADJUSTMENT CLAUSE OF KENTUCKY) CASE NO.
UTILITIES COMPANY FROM) 2010-00266
NOVEMBER 1, 2009 THROUGH APRIL)
30, 2010)

PETITION OF KENTUCKY UTILITIES COMPANY
FOR CONFIDENTIAL PROTECTION

Kentucky Utilities Company (“KU”) respectfully petitions the Commission pursuant to 807 KAR 5:001 § 7 to classify as confidential and protect from public disclosure certain information provided by KU in response to Question Nos. 12, 19, and 20 of the Commission’s data requests, as contained in Appendix A of the Commission’s Order dated August 13, 2010. Specifically, KU requests confidential protection for settlement and release agreements with certain of KU’s coal providers, which agreements KU is providing in response to Question No. 12, and for coal bid analysis information provided in response to Question Nos. 19 and 20. KU further requests confidential protection for rail car bid analysis information provided in response to Question No. 4(a) of the Commission Staff’s Supplemental Information Request to KU, dated August 25, 2010. In support of this Motion, KU notes that the Commission treated the same kind of coal bid information as confidential in KU’s two most recent six-month fuel adjustment clause review proceedings. (See Letter from Executive Director Jeff Derouen re KU’s Petition for Confidential Protection, Case No. 2009-00507 (March 18, 2010); Letter from Executive

Director Jeff Derouen re KU's Petition for Confidential Protection, Case No. 2009-00287 (December 11, 2009); both attached hereto as Attachment 1.)

1. Under the Kentucky Open Records Act, the Commission is entitled to withhold from public disclosure information confidentially disclosed to it to the extent that open disclosure would permit an unfair commercial advantage to competitors of the entity disclosing the information to the Commission. *See* KRS 61.878(1)(c). Public disclosure of the information identified herein would, in fact, prompt such a result for the reasons set forth below.

2. Disclosure of the terms and conditions of the settlement and release agreements KU has reached with several of its coal providers would damage KU's competitive position and business interests. Granting public access to the information KU is providing in response to Question No. 12 (i.e., revealing what KU has accepted in settlements with other coal providers) could prove to be detrimental to KU's bargaining positions vis-à-vis other of KU's coal providers with whom KU is currently in litigation. KU's customers would bear the financial consequences of KU's weakened bargaining positions. This sort of bargaining information is not materially different than the coal bid analysis the Commission has protected as confidential multiple times in the past.¹

3. Disclosure of the factors underlying KU's coal or rail car bid analysis and selection process would damage KU's competitive position and business interests. This information reveals the business model the Company uses—the procedure it follows and the factors/inputs it considers—to evaluate bids for coal supply and rail cars to transport that coal. If the Commission grants public access to the information requested in Question Nos. 19 and 20

and in Supplemental Question No. 4(a), potential bidders could manipulate the bid solicitation process to the detriment of KU and its ratepayers by tailoring bids to correspond to and comport with KU's bidding criteria and process. As noted above, the Commission has treated such information as confidential in the past.²

4. The information for which KU is seeking confidential treatment is not known outside of KU, is not disseminated within KU except to those employees with a legitimate business need to know and act upon the information, and is generally recognized as confidential and proprietary information in the energy industry.

5. If the Commission disagrees with any of these requests for confidential protection, it must hold an evidentiary hearing (a) to protect KU's due process rights and (b) to supply the Commission with a complete record to enable it to reach a decision with regard to this matter. Utility Regulatory Commission v. Kentucky Water Service Company, Inc., 642 S.W.2d 591, 592-94 (Ky. App. 1982).

6. KU does not object to limited disclosure of the confidential information described herein, pursuant to an acceptable protective agreement, to intervenors with legitimate interests in reviewing the same for the purpose of participating in this case.

7. In accordance with the provisions of 807 KAR 5:001 § 7, KU is filing with the Commission one copy of the Confidential Information highlighted and ten (10) copies without the Confidential Information, with the exception of the CD of work-papers being provided in

¹ See Attachment 1, Letter from Executive Director Jeff Derouen re KU's Petition for Confidential Protection, Case No. 2009-00507 (March 18, 2010); Letter from Executive Director Jeff Derouen re KU's Petition for Confidential Protection, Case No. 2009-00287 (December 11, 2009).

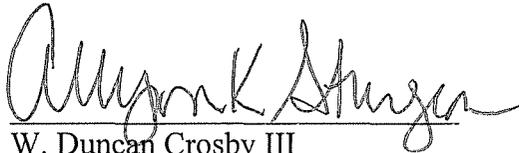
² See Attachment 1, Letter from Executive Director Jeff Derouen re KU's Petition for Confidential Protection, Case No. 2009-00507 (March 18, 2010); Letter from Executive Director Jeff Derouen re KU's Petition for Confidential Protection, Case No. 2009-00287 (December 11, 2009).

response to Supplemental DR 4(a), the entirety of which is confidential. One copy of the CD is being provided to the Commission.

WHEREFORE, Kentucky Utilities Company respectfully requests that the Commission grant confidential protection to the information designated as confidential for a period of five years from the date of filing the same.

Dated: September 7, 2010

Respectfully submitted,



W. Duncan Crosby III
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220 West Main Street
Louisville, Kentucky 40202
Telephone: (502) 627-2088

Counsel for Kentucky Utilities Company

Attachment 1

Steven L. Beshear
Governor

Leonard K. Peters
Secretary
Energy and Environment Cabinet



Commonwealth of Kentucky
Public Service Commission
211 Sower Blvd.
P.O. Box 615
Frankfort, Kentucky 40602-0615
Telephone: (502) 564-3940
Fax: (502) 564-3460
psc.ky.gov

David L. Armstrong
Chairman

James W. Gardner
Vice Chairman

Charles R. Borders
Commissioner

March 18, 2010

E.ON U.S. LLC
Attention: Allyson K. Sturgeon
220 West Main Street
Louisville, Kentucky 40202

Re: Kentucky Utilities Company
Petition for Confidential Protection received 2/17/10
PSC Reference – Case No. 2009-00507

Dear Ms. Sturgeon:

The Public Service Commission has received the Petition for Confidential Protection you filed on February 17, 2010 on behalf of Kentucky Utilities Company ("KU") to protect certain information filed with the Commission as confidential pursuant to Section 7 of 807 KAR 5:001 and KRS 61.878. The information you seek to have treated as confidential is identified as information contained in KU's Responses to Commission Data Request Nos. 19 and 20 as in Appendix of the Commission's Order dated January 27, 2010. The information is more particularly described as containing coal bid analysis information: procedure for evaluating bids for coal supply.

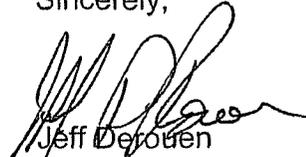
Your justification for having the Commission handle this material as confidential is that the public disclosure of the information would compromise KU's competitive position in the industry and result in an unfair commercial advantage to their competitors.

Based on a review of the information and pursuant to KRS 61.878 and 807 KAR 5:001, Section 7, the Commission has determined that the information you seek to keep confidential is of a proprietary nature, which if publicly disclosed would permit an unfair commercial advantage to KU's competitors. Therefore, the information requested to be treated as confidential **meets the criteria for confidential protection** and will be maintained as a nonpublic part of the Commission's file in this case. The procedure for usage of confidential materials during formal proceedings may be found at Section 7(8) of 807 KAR 5:001.

Ms. Sturgeon
March 18, 2010
Page 2

If the information becomes publicly available or no longer warrants confidential treatment, Kentucky Utilities Company is required by Section 8(9)(a) of 807 KAR 5:001 to inform the Commission so that the information may be placed in the public record.

Sincerely,



Jeff Derouen
Executive Director

kg/

cc: Parties of Record



Steven L. Beshear
Governor

Leonard K. Peters
Secretary
Energy and Environment Cabinet

Commonwealth of Kentucky
Public Service Commission
211 Sower Blvd.
P.O. Box 615
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David L. Armstrong
Chairman

James W. Gardner
Vice Chairman

Charles R. Borders
Commissioner

December 11, 2009

E.ON U.S. LLC
Attention: Allyson K. Sturgeon
220 West Main Street
Louisville, Kentucky 40202

Re: Kentucky Utilities Company
Petition for Confidential Protection received 9/10/09
PSC Reference – Case No. 2009-00287

Dear Ms. Sturgeon:

The Public Service Commission has received the Petition for Confidential Protection you filed on September 10, 2009 on behalf of Kentucky Utilities Company ("KU") to protect certain information filed with the Commission as confidential pursuant to Section 7 of 807 KAR 5:001 and KRS 61.870. The information you seek to have treated as confidential is identified as information contained in KU's Responses to Commission Data Request Nos. 12(a) and 19 contained in Appendix A of the Commission's Order dated August 20, 2009. The information is more specifically described as the "Weir Report" which contains coal suppliers costs for complying with the "Miner Act", and coal bid analysis procedure used for evaluating bids for coal supply.

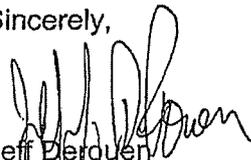
Your justification for having the Commission handle this material as confidential is that the public disclosure of the information would compromise KU's competitive position in the industry and result in an unfair commercial advantage to its competitors.

Based on a review of the information and pursuant to KRS 61.878 and 807 KAR 5:001, Section 7, the Commission has determined that the information you seek to keep confidential is of a confidential or proprietary nature, which if publicly disclosed would permit an unfair commercial advantage to KU's competitors. Therefore, the information requested to be treated as confidential **meets the criteria for confidential protection and will be maintained as a nonpublic part of the Commission's file in this case.** The procedure for usage of confidential materials during formal proceedings may be found at Section 7(8) of 807 KAR 5:001.

Ms. Sturgeon
December 11, 2009
Page 2

If the information becomes publicly available or no longer warrants confidential treatment, Kentucky Utilities Company is required by Section 8(9)(a) of 807 KAR 5:001 to inform the Commission so that the information may be placed in the public record.

Sincerely,



Jeff Derquen
Executive Director

kg/

cc: Parties of Record