

COMMONWEALTH OF KENTUCKY
BEFORE THE PUBLIC SERVICE COMMISSION

In the Matter of:

APPLICATION OF THE UNION LIGHT, HEAT)	
AND POWER COMPANY FOR AN ORDER)	
AUTHORIZING THE ISSUANCE AND SALE)	
OF UP TO \$75,000,000 PRINCIPAL AMOUNT)	
OF FIRST MORTGAGE BONDS OR)	CASE NO. 2004-00435
UNSECURED DEBT AND USE OF INTEREST)	
RATE MANAGEMENT TECHNIQUES)	

FIRST DATA REQUEST OF COMMISSION STAFF TO
THE UNION LIGHT, HEAT AND POWER COMPANY

The Union Light, Heat and Power Company (“ULH&P”), pursuant to 807 KAR 5:001, is requested to file with the Commission the original and 5 copies of the following information, with a copy to all parties of record. The information requested herein is due not later than 10 days from the date of this request. When a number of sheets are required for an item, each sheet should be appropriately indexed, for example, Item 1(a), Sheet 2 of 6. Include with each response the name of the person who will be responsible for responding to questions relating to the information provided. Careful attention should be given to copied material to ensure that it is legible. Where information herein has been previously provided, in the format requested herein, reference may be made to the specific location of said information in responding to this information request.

1. Refer to page 6 of the application. ULH&P states that it expects to use the proceeds of the issuance of the securities for the repayment of short-term and long-term indebtedness, future construction expenditures, and for other lawful corporate purposes.

a. Describe the extent, if any, to which estimated future construction expenditures include ULH&P's Accelerated Main Replacement Program costs.

b. Identify and describe the types of items included in "other lawful corporate purposes."

2. Refer to page 7 of the application. ULH&P states that in Case No. 2001-00439¹ the Commission approved the issuance and sale of up to \$75,000,000 in First Mortgage Bonds or unsecured debt and the use of interest rate management techniques for a period ending December 31, 2004. ULH&P further states that as of the date of the application, it has not utilized any of the existing authority.

a. Explain whether ULH&P intends to utilize its existing authority to issue First Mortgage Bonds or unsecured debt on or before December 31, 2004. If ULH&P plans to issue first Mortgage Bonds or unsecured debt under its existing authority, provide a description of the type of securities or debt and the amount of each type to be issued.

b. Identify and explain any differences in the parameters of interest rate management techniques sought by ULH&P in this proceeding and those interest rate management techniques approved by the Commission in Case No. 2001-00439.

c. ULH&P proposes to issue and sell, from time to time over a period ending December 31, 2006, up to \$75 million in bonds or debentures. Explain whether ULH&P expects market conditions for that period to improve over the market conditions

¹ Case No. 2001-00439, Application of The Union Light, Heat and Power Company for (1) Issuance and Sale of Up to \$75,000,000 Principal Amount of First Mortgage Bonds or Unsecured Debt and (2) Use of Interest Rate Management Techniques.

that have existed since the Commission, in Case No. 2001-00439, authorized \$75 million in long-term debt for the period ending December 31, 2004.

3. ULH&P had 6.11 percent debentures in the amount of \$20,000,000 that were due December 8, 2003. Describe the source of the funds used for repayment of the debentures at maturity. If securities were issued, identify the registration statement under which the issuance was authorized.



Beth O'Donnell
Executive Director
Public Service Commission
P. O. Box 615
Frankfort, KY 40602

DATED November 19, 2004

cc: All Parties