

RECEIVED

SFP 17 2003

PUBLIC SERVICE
COMMISSION

KyPSC Staff Data Requests Set No. 2
Case No. 2003-00252
Date Received: September 10, 2003
Response Due Date: September 17, 2003

KyPSC-DR-02-001a

REQUEST:

1. Refer to Item 4(b) of ULH&P's response to the Commission Staff's Initial Data Request ("Staff's Initial Request").

a. Will ULH&P be acquiring the rights to use the second landfill as part of the proposed transaction or will this acquisition be a subsequent transaction between ULH&P and CG&E? Explain the response.

RESPONSE:

There will be a subsequent transaction between ULH&P and CG&E and whether CG&E will sell a portion of the landfill to ULH&P or whether CG&E will charge a fee to ULH&P for using the landfill will be based on the business conditions warranted at that time. In any event, the amount that ULH&P will pay CG&E will be based on CG&E's cost and will not exceed the net book value.

WITNESS RESPONSIBLE: John J. Roebel

KyPSC Staff Data Requests Set No. 2
Case No. 2003-00252
Date Received: September 10, 2003
Response Due Date: September 17, 2003

KyPSC-DR-02-001b

REQUEST:

1. Refer to Item 4(b) of ULH&P's response to the Commission Staff's Initial Data Request ("Staff's Initial Request").

b. What is the net book value of the second landfill as of December 31, 2002, and what is the expected cost to acquire the rights to this landfill?

RESPONSE:

The net book value as of March 31, 2003 for land held for future use at East Bend station for a second landfill is \$1,218,639. The expected cost to acquire the rights to the landfill cannot be determined at this time because it is unknown whether ULH&P will acquire title to the second landfill versus paying CG&E a fee for using the landfill. In any event, the amount that ULH&P will pay CG&E will be based on CG&E's cost and will not exceed the net book value.

WITNESS RESPONSIBLE: John J. Roebel

KyPSC Staff Data Requests Set No. 2
Case No. 2003-00252
Date Received: September 10, 2003
Response Due Date: September 17, 2003

KyPSC-DR-02-002

REQUEST:

2. Refer to Item 5 of ULH&P's response to the Staff's Initial Request. Explain whether Cinergy is willing to make a formal commitment that East Bend will continue to be part of the NO_x system-wide averaging plan after the transfer to ULH&P.

RESPONSE:

Yes, Cinergy will commit East Bend to continue to be part of the NO_x system-wide averaging plan with Cinergy after the transfer to ULH&P.

WITNESS RESPONSIBLE: John J. Roebel

KyPSC Staff Data Requests Set No. 2
Case No. 2003-00252
Date Received: September 10, 2003
Response Due Date: September 17, 2003

KyPSC-DR-02-003

REQUEST:

3. Refer to Items 6 and 7 of ULH&P's response to the Staff's Initial Request. Explain whether the landfill currently in use, with 7 to 11 years of remaining capacity, combined with the second landfill, as yet not used, are expected to be sufficient to accommodate an additional 38 years of operation of the East Bend Unit.

RESPONSES:

Yes, based on current environmental regulations, the two landfills will provide the necessary capacity to accommodate an additional 38 years of operation of the East Bend Generating Station.

WITNESS RESPONSIBLE: John J. Roebel

KyPSC Staff Data Requests Set No. 2
Case No. 2003-00252
Date Received: September 10, 2003
Response Due Date: September 17, 2003

KyPSC-DR-02-004

REQUEST:

4. Refer to Items 9 and 10 of ULH&P's response to the Staffs Initial Request. Identify the point in time, based on the timeline for the proposed transaction that ULH&P expects to enter into the proposed agreements with The Cincinnati Gas and Electric Company ("CG&E") regarding shared facilities at the Miami Fort station.

RESPONSE:

ULH&P will enter into the proposed agreement with CG&E coincident with the closing of the acquisition transaction.

WITNESS RESPONSIBLE: John Roebel

KyPSC Staff Data Requests Set No. 2
Case No. 2003-00252
Date Received: September 10, 2003
Response Due Date: September 17, 2003

KyPSC-DR-02-005

REQUEST:

5. Refer to Items 11 and 44 of ULH&P's response to the Staffs Initial Request. It appears from the response to Item 44 that acquiring a percentage interest in CG&E's Zimmer Station ("Zimmer") was the only alternative considered other than the combination proposed in ULH&P's application. The response indicates that an interest in Zimmer was rejected due to the rate impact on ULH&P's customers. Miami Fort 7 and Miami Fort 8 are large base load units in which CG&E owns a 64 percent interest and are only a few years older than East Bend. Explain why acquiring some portion of these units was not considered and describe the potential rate impact of such an acquisition compared to the rate impact of the proposed transaction.

RESPONSE:

There were many factors considered by CG&E in determining which of its units it would be willing to sell to ULH&P, such as the market value of the units; the potential rate impacts to ULH&P customers; providing a reasonable mix of base load, intermediate load and peaking units; and providing a set of generation assets that would be the least cost alternative for ULH&P to obtain power. Another consideration is that East Bend is located in Northern Kentucky, which was viewed as a benefit for ULH&P's customers. ULH&P does not have any study of the potential rate impact of acquiring some portion of Miami Fort 7 or Miami Fort 8 compared to the rate impact of the proposed transaction.

WITNESS RESPONSIBLE: M. Stephen Harkness

KyPSC Staff Data Requests Set No. 2
Case No. 2003-00252
Date Received: September 10, 2003
Response Due Date: September 17, 2003

KyPSC-DR-02-006

REQUEST:

6. Refer to Item 14 of ULH&P's response to the Staff's Initial Request, which identifies potential changes in the ability to discharge water from Miami Fort 6 into the Ohio River as the performance and maintenance issues referred to on page 5 of the Direct Testimony of H. Davis Ege.

a. Explain whether this is an issue that pertains only to Miami Fort 6 and only to the Ohio River.

b. Is the Ohio River used for the water discharged from East Bend? If yes, explain why this was not identified as an issue of concern for East Bend.

RESPONSE:

a. The issue of controlling cooling water discharge temperature pertains to any electric generating facility that uses a body of water for condensing the steam generated in the steam cycle. However, due to the design and construction of Miami Fort 6 during the time period prior to damming of the Ohio River, the facility can operate at river water levels significantly below current levels. As such, the facility operates well within its current permit standards. It is reasonable to expect the facility to continue to operate as designed.

b. East Bend utilizes cooling towers for heat rejection, so the relatively small quantity of water discharged to the Ohio River is not an issue of concern for the facility.

WITNESS RESPONSIBLE: H. Davis Ege

KyPSC Staff Data Requests Set No. 2
Case No. 2003-00252
Date Received: September 10, 2003
Response Due Date: September 17, 2003

KyPSC-DR-02-007

REQUEST:

7. Refer to Items 4 and 18(b) of ULH&P's response to the Staffs Initial Request. The East Bend transfer envisions ULH&P acquiring only the land on which the existing generating unit is located while the Woodsdale transfer envisions ULH&P acquiring all the land even though the site, with 6 units installed and space available to install 6 additional units, is only 50 percent developed. Explain why the proposed transaction is structured to treat the land transfers of the two sites in different manners.

RESPONSE:

The land at the East Bend Station can be used to site additional generating units, and CG&E opted to retain the land available to develop additional units at East Bend.

Although Woodsdale Generating Station was initially developed for 12 units, the Madison Generating Station was subsequently developed. This made it less likely that the air permits and fuel could be obtained to build additional units at Woodsdale. Since CG&E discarded its plans to build additional units at Woodsdale after the Madison station was constructed, it was willing to transfer all of the land at this site to ULH&P.

WITNESS RESPONSIBLE: John J. Roebel

KyPSC Staff Data Requests Set No. 2
Case No. 2003-00252
Date Received: September 10, 2003
Response Due Date: September 17, 2003

KyPSC-DR-02-008

REQUEST:

8. Refer to Item 19 of ULH&P's response to the Staff's Initial Request.
 - a. Describe in detail Cinergy's current "Acid Rain NOx" averaging plan. Include a discussion of how the current plan impacts the facilities CG&E proposes to transfer to ULH&P.
 - b. Describe in detail the new NOx budget program mentioned in this response. Specifically discuss any changes from the current averaging plan.
 - c. Explain why the Woodsdale units are affected by the new Nox budget program, but apparently were not impacted by the current averaging plan.

RESPONSES:

- a. When the EPA enacted the Title IV NOx program (Acid Rain NOx Averaging Plan), it applied to coal fired utility boilers. It did not apply to gas fired boilers or any type of combustion turbine. This program established NOx emission standards for different types of coal fired boilers.

Prior to the NOx SIP Call program, the Title IV NOx program established the NOx emission standards that power companies had to comply with. Under the Title IV NOx program, the EPA allocated each unit a NOx emission rate based on the type of emission control technology used by the unit. Compliance with the Title IV NOx program was done on a system wide basis, where the average emission rate for the units owned by the power company had to comply with a system-wide emission target established by the EPA.

Although the Title IV NOx program is still in effect, East Bend has since had emission control technology installed, in the form of a selective catalytic reduction (SCR) system, to further reduce NOx emissions, in order to comply with the requirements NOx SIP Call program. This emission control technology has substantially reduced the NOx emissions such that the Plants easily comply with the requirements of the Title IV NOx program, and Cinergy easily complies with the system-wide average emission rate requirement, because so many Cinergy units have SCR technology. The transfer of East Bend and Miami Fort 6 to ULH&P therefore will not compromise the ability to continue to utilize these units in the existing Cinergy averaging plan.

- b. The NOx SIP Call (NOx Budget program) is a separate program from the Title IV program. Its requirements are substantially more stringent than Title IV, however it only applies to certain eastern states, and applies only during the summer ozone season.

It is a cap and trade program and will operate similarly to the Acid Rain program for sulfur dioxide. East Bend and Miami Fort Unit 6 are allocated NOx allowances by their respective states. At the end of each ozone season, each unit must surrender a NOx allowance for each ton of NOx it emits. A unit can comply by either reducing its emissions to a level below its allocation, or obtain excess allowances for other units that over comply with the rule. To the extent that East Bend and Miami Fort Unit 6 reduce their NOx emissions, those reductions will also apply to the Title IV program.

An economic analysis will be conducted on each unit to determine the most cost-effective way for ULH&P and for Cinergy to comply with program requirements. This may result in a net long position (with allowances available for sale), a net short position (requiring cost-effective allowances to be purchased) or a balanced position. If ULH&P needs additional emission allowances on a stand-alone basis, and if other Cinergy units have excess emission allowances available, then ULH&P will utilize the excess emission allowances from the other Cinergy units, and ULH&P will pay back the owner of that unit in kind, with emission allowances for a future period, plus interest. If ULH&P has excess emission allowances on a stand-alone basis and other Cinergy units need additional emission allowances, then the other Cinergy units will utilize the excess emission allowances from ULH&P, and they will pay ULH&P back in kind, with emission allowances for a future period, plus interest.

c. The Title IV NOx Averaging program applies only to coal fired utility boilers. The units at Woodsdale are combustion turbines and therefore the rule does not apply to them. However Woodsdale must comply with the the NOx SIP Call because it applies to Electric Generating Units over 25 MWs, and includes both boilers and combustion turbines.

WITNESS RESPONSIBLE: John J. Roebel

KyPSC Staff Data Requests Set No. 2
Case No. 2003-00252
Date Received: September 10, 2003
Response Due Date: September 17, 2003

KyPSC-DR-02-009

REQUEST:

9. Refer to Item 20 of ULH&P's response to the Staff's Initial Request.
 - a. Provide the typical timeline of ULH&P's annual planning cycle.
 - b. In the past, there were times when ULH&P had need to coordinate the filing of its Intergrated Resource Plan ("IRP") with the filing of IRPs by affiliates in other jurisdictions. To what extent will ULH&P continue to need to coordinate its future IRP filings with those of any affiliates?

RESPONSE:

- a. ULH&P's whole planning cycle is not annual, although the load forecast is updated annually. The IRP process itself is usually coordinated with the timing of IRP filing requirements. As far as a "typical" timeline for the 8 steps of the process listed in Diane Jenner's testimony on page 9, steps 1-5 normally occur beginning in late winter through early summer, and steps 6-8 normally occur from summer through the fall of the years when filings are made. For the interim years between filings, an assessment is normally made to determine whether the changes in the updated load forecast are significant enough to warrant making modifications to the last IRP.
- b. In the past, the need to coordinate IRP filings in other jurisdictions was driven by the fact that capacity planning was performed on a joint, integrated Cinergy basis and the same IRP was, thus, filed in each jurisdiction. Now that the capacity planning process is performed separately for PSI and ULH&P on a stand-alone basis, the same IRP will not be filed in each jurisdiction, so coordination of the filings is not required. In fact, it would be less burdensome for Cinergy's planning resources if the timing of IRP filings in Indiana and Kentucky were not simultaneous because they are now separate planning processes, but performed by the same staff members.

WITNESS RESPONSIBLE: Diane L. Jenner

KyPSC Staff Data Requests Set No. 2
Case No. 2003-00252
Date Received: September 10, 2003
Response Due Date: September 17, 2003

KyPSC-DR-02-010

REQUEST:

10. Refer to Item 21(b) of ULH&P's response to the Staff's Initial Request. Clarify whether the pricing of inter-company transfers described in the Purchase, Sale and Operations Agreement means that such transfers will never be priced in excess of the receiving company's incremental cost of available generation.

RESPONSE:

Yes, in accordance with 4.01 (b) of the Purchase, Sale and Operations Agreement, the amount paid for energy transferred between the Parties shall not exceed the receiving Party's incremental cost of using its own Generating Resources (to the extent actually available), consistent with System Economic Dispatch.

WITNESS RESPONSIBLE: M. Stephen Harkness

KyPSC Staff Data Requests Set No. 2
Case No. 2003-00252
Date Received: September 10, 2003
Response Due Date: September 17, 2003

KyPSC-DR-02-011

REQUEST:

11. Refer to Item 23 of ULH&P's response to the Staff's Initial Request.
 - a. Explain in detail why Cinergy "requires certainty in the amount of future recovery" before it will commit to the proposed transaction.
 - b. Specifically identify the portions of KRS 278.290 that cause Cinergy to believe it needs the additional certainty for future rate-making treatment of the proposed transaction.

RESPONSE:

- a. As is well-documented in ULH&P's initial filing, ULH&P will be acquiring the Plants at net book value, which is far below the market value of these Plants. This will provide significant benefits to ULH&P's customers. Cinergy simply wants to ensure that its shareholders also receive benefits from this transaction.
- b. Although Mr. Turner is not acting in the capacity of an attorney in this proceeding, ULH&P responds as follows: KRS 278.290(1) allows the Commission to "ascertain and fix the value of the whole or any part of the property of any utility in so far as the value is material to the exercise of the jurisdiction of the commission, and **may make revaluations from time to time and ascertain the value of all new construction, extensions and additions to the property of the utility.**" Thus, the Commission is empowered by statute to change the value of a utility's property, and thus affect the amount the utility may recover thereon.

Additionally, the commission is not required to use only original (net book) cost of property, but "shall give due consideration to the **history and development of the utility and its property**, original cost, **cost of reproduction** as a going concern, **capital structure**, and **other elements of value** recognized by the law of the land for rate-making purposes." Here again, the Commission is granted wide discretion in fixing the value of a utility's plant. These portions of KRS 278.290 cause Cinergy to require the commitments it seeks in this proceeding before allowing CG&E to transfer the Plants to ULH&P.

WITNESS RESPONSIBLE: James L. Turner

KyPSC Staff Data Requests Set No. 2
Case No. 2003-00252
Date Received: September 10, 2003
Response Due Date: September 17, 2003

KyPSC-DR-02-012

REQUEST:

12. Refer to Item 23(c) of ULH&P's response to the Staff's Initial Request.

a. In the response it is stated that Cinergy requires a high level of certainty regarding the cost recovery associated with the proposed transaction. Would Cinergy agree that, as a regulated utility, ULH&P's ownership of generating assets provides a measure of certainty and stability to both ULH&P and Cinergy? Explain the response.

b. Included in the response is the statement, "Cinergy's proposal is to have the Commission provide a means for Cinergy to unwind this transaction if Cinergy does not receive the cost recovery treatment it seeks in this proceeding." Explain in detail how the provision of a means for Cinergy to "unwind" the proposed transaction is consistent with the Commission's concerns and requirements expressed in Case No. 2001-00058 and Administrative Case No. 387.

c. Is Cinergy aware of any other regulated energy utility that has, during the past 10 years, been granted the ability to "unwind" a transaction simply because it did not agree with the cost recovery authorized by the appropriate regulatory agency?

(1) If yes, provide citations to the proceedings and excerpts from the published decisions.

(2) If no, explain in detail why Cinergy believes it is entitled to "unwind" the proposed transaction if it does not agree with the cost recovery authorized by the Commission in a future rate case proceeding.

RESPONSE:

a. ULH&P's ownership of generating assets provides some level of certainty and stability to both ULH&P and Cinergy. However, as described in the response to KyPSC-DR-02-011, Kentucky law regarding the valuation of utility property does not grant Cinergy the level of certainty it requires to allow CG&E to transfer these assets to ULH&P at net book cost. Further, the certainty provided by the rate-basing of these Plants at the same time eliminates the upside potential value derived from these plants in an upward-trending wholesale market. So while Cinergy seeks certainty in the future recovery of the value of these Plants, the certainty must be with respect to a minimum dollar amount, in this case the net book value of the Plants.

- b. Cinergy fully expects the Commission to fairly value these Plants, at net book value, and to allow ULH&P recovery of the additional costs it will incur as a result of this transaction (*i.e.* costs associated with the Back-up Power Sales Agreement, the Purchase, Sale and Operation Agreement and the Transaction Costs) in a future rate case proceeding. Cinergy sees the prospect of “unwinding” this transaction as very remote. Given the remoteness of this possibility, and the tremendous value that CG&E is transferring to ULH&P in the Plants, Cinergy believes that this proposed transaction is fully consistent with the Commission’s concerns and requirements expressed in Case No. 2001-00058 and Administrative Case No. 387.
- c. No.
1. N/A
 2. Cinergy seeks specific Commission commitments regarding the future treatment of certain costs and revenues, as described in its filing, before it would be willing to allow CG&E to transfer the Plants to ULH&P. Cinergy has a fiduciary duty to its shareholders to take appropriate measures to align potential returns of investments with the risks associated therewith. Here, Cinergy is willing to allow CG&E to transfer the Plants to ULH&P at net book value, a price far below the potential market value of these Plants. It must align the risk associated with the recovery of these costs from ratepayers with the rate of return it may expect to obtain from the Plants once regulated, again taking into consideration the forgone opportunity costs associated with the potential market value of the Plants. Cinergy has therefore sought Commission commitments that will reduce the overall risk to Cinergy associated with this transaction. Without the ability to unwind this transaction in the future, this attempt to align risk with return would be meaningless.

WITNESS RESPONSIBLE: James L. Turner

KyPSC Staff Data Requests Set No. 2
Case No. 2003-00252
Date Received: September 10, 2003
Response Due Date: September 17, 2003

KyPSC-DR-02-013

REQUEST:

13. In 2002, Public Service Indiana ("PSI"), a regulated Cinergy affiliate operating in Indiana, sought and was granted authority by the Indiana Utility Regulatory Commission ("Indiana Commission") to purchase 11 combustion turbines owned by an unregulated Cinergy affiliate.

a. Did PSI's application before the Indiana Commission contain the same "unwinding" provision as ULH&P and Cinergy have included in the proposed transaction before this Commission?

b. If yes to part (a), indicate whether the settlement approved in the PSI combustion turbine case included the "unwinding" provision. Include a copy of the settlement agreement and Indiana Commission decision discussing the "unwinding" provision.

c. If no to part (a), explain in detail why Cinergy did not need the high level of certainty from the Indiana Commission that it apparently believes it needs from this Commission.

RESPONSE:

- a. No.
- b. N/A
- c. Indiana has a Certificate of Public Convenience and Necessity (CPCN) statute that requires that the IURC approve the acquisition cost of generating assets for ratemaking purposes within the context of the CPCN proceeding, before the assets are acquired. Once IURC CPCN approval is received, including approval of the acquisition costs, with very few exceptions the utility is assured of recovery of those capital costs through rates. Thus, the Indiana CPCN proceeding essentially provides the high level of assurance that we are seeking in this proceeding.

WITNESS RESPONSIBLE: James L. Turner

KyPSC Staff Data Requests Set No. 2
Case No. 2003-00252
Date Received: September 10, 2003
Response Due Date: September 17, 2003

KyPSC-DR-02-014

REQUEST:

14. Refer to Item 26(b) of ULH&P's response to the Staffs Initial Request. Explain in detail how ULH&P plans to identify and track all expenses associated with off-system sales.

RESPONSE:

ULH&P assets will assign least cost generation to native load first on an hourly basis. If the units are running after native load obligations have been met, it would indicate that the unit is still economical in the market. Therefore we will know by hour the costs associated with the next increment of mwh for off-system sales.

WITNESS RESPONSIBLE: M. Stephen Harkness

KyPSC Staff Data Requests Set No. 2
Case No. 2003-00252
Date Received: September 10, 2003
Response Due Date: September 17, 2003

KyPSC-DR-02-015

REQUEST:

15. Refer to Item 27(b) of ULH&P's response to the Staffs Initial Request. Explain why ULH&P believes that it is reasonable to request Commission approval of the proposed transaction without affording the Commission the opportunity to review the exact documents that will be used to consummate the transaction.

RESPONSE:

As described in the testimony of Gregory C. Ficke, a transaction of this nature requires a great deal of research, legal analysis and paperwork before it can be finalized. Although ULH&P has not yet developed or finalized all of the various agreements that will be required to close this transaction, ULH&P has provided those agreements that will have a material effect on its customers:

- Back-up Power Sales Agreement
- Purchase, Sale and Operation Agreement
- Gas and propane supply and management agreements

ULH&P also provided a form of asset transfer agreement that in substance represents the material terms associated with the transfer of the Plants from CG&E to ULH&P.

If any of the additional agreements turn out to have a material effect on ULH&P's customers, ULH&P will amend and refile its application.

ULH&P hereby commits to file with the Commission all relevant transaction documents within 10 days of the closing of the proposed transaction.

WITNESS RESPONSIBLE: Gregory C. Ficke

KyPSC Staff Data Requests Set No. 2
Case No. 2003-00252
Date Received: September 10, 2003
Response Due Date: September 17, 2003

KyPSC-DR-02-016

REQUEST:

16. Refer to Item 28 of ULH&P's response to the Staffs Initial Request. Indicate when the East Bend Asset Transfer Agreement Schedules will be prepared and finalized.

RESPONSE:

All of the documents pertaining to this transaction, including the East Bend Asset Transfer Agreement Schedules, will be developed over the course of the next several months, and will be finalized shortly before closing of the transaction.

WITNESS RESPONSIBLE: James L. Turner

KyPSC Staff Data Requests Set No. 2
Case No. 2003-00252
Date Received: September 10, 2003
Response Due Date: September 17, 2003

KyPSC-DR-02-017

REQUEST:

17. Refer to Item 32(b) of ULH&P's response to the Staff's Initial Request.
- a. When examining the available alternatives concerning resource needs, do CG&E and Cinergy normally issue a request for proposals ("RFP") seeking responses on the availability of unit sales, asset sales, or co-ownership of generating facilities? Explain the response.
 - b. If the REP process is part of CG&E's and Cinergy's normal resource assessment process, explain in detail why ULH&P did not follow that process in this instance.

RESPONSE:

- a. Whether to issue an RFP or not is decided on a case-by-case basis. Some of the factors considered include the state of the market at the time, the likelihood of receiving responsive bids that will fill the need required, and the risks inherent in purchasing from the market versus owning capacity, all weighed against the large effort required to issue and evaluate an RFP.
- b. See part a. above.

WITNESS RESPONSIBLE: Diane L. Jenner/M. Stephen Harkness

KyPSC Staff Data Requests Set No. 2
Case No. 2003-00252
Date Received: September 10, 2003
Response Due Date: September 17, 2003

KyPSC-DR-02-018

REQUEST:

18. Refer to Item 34 of ULH&P's response to the Staff's Initial Request, which indicates that, of the projected major capital projects for the East Bend plant, \$12.02 million represents the total cost, while \$8.3 million represents the East Bend Station cost. Provide clarification of whether the \$8.3 million represents the proposed ULH&P share of the \$12.02 million total cost.

RESPONSE:

Yes, \$8.3 million represents ULH&P's share of the \$12.02 million total cost of the major capital projects.

WITNESS RESPONSIBLE: John J. Roebel

KyPSC Staff Data Requests Set No. 2
Case No. 2003-00252
Date Received: September 10, 2003
Response Due Date: September 17, 2003

KyPSC-DR-02-019

REQUEST:

19. Refer to Item 35 of ULH&P's response to the Staff's Initial Request. The first part of the response identifies the relative costs of installing low NOx burners at Miami Fort 6 versus the cost of purchasing allowance. However, the last sentence of the response appears somewhat inconsistent with the results of that comparison. Provide clarification and/or a restatement of the last part of the response.

RESPONSE:

The Low NOx Burner installation cost is \$5.1 - \$6 Million, which equates to \$1,742/ton - \$1,973/ton with a reduction of 30% - 35%. The SIP call prices indicate that the minimum cost of an allowance will be approximately \$2,500/ton through 2005. As a result, the Low NOx Burner installation will remain economically feasible.

WITNESS RESPONSIBLE: John J. Roebel

KyPSC Staff Data Requests Set No. 2
Case No. 2003-00252
Date Received: September 10, 2003
Response Due Date: September 17, 2003

KyPSC-DR-02-020

REQUEST:

20. Refer to Item 36(a) of ULH&P's response to the Staff's Initial Request.
- a. Identify the years in which Westinghouse manufactured the model of generator installed at East Bend.
 - b. Identify the ages of the 3 or 4 units referenced in the response at the times they experienced their winding failures.
 - c. East Bend has been in service 22 years. Explain why the rewinding work is being proposed now rather than at some time in the past.

RESPONSE:

- a. Westinghouse manufactured the model of generator installed at East Bend between 1967 and 1982.
- b. After further investigation, there are six other units that have not been rewound. They went into service in 1969, 1970, 1971, 1973, 1975 and 1982.
- c. With the diagnostic tools utilized today, we are able to identify the problem and schedule the preventive maintenance activities appropriately.

WITNESS RESPONSIBLE: John J. Roebel

KyPSC Staff Data Requests Set No. 2
Case No. 2003-00252
Date Received: September 10, 2003
Response Due Date: September 17, 2003

KyPSC-DR-02-021(a) and (b)

REQUEST:

21. Refer to Item 37 of ULH&P's response to the Staff's Initial Request.
 - a. Explain in detail why the historic Operation and Maintenance ("O&M") cost detail was not readily available.
 - b. When will Item 37(a), to which the response was "will supplement," be filed with the Commission?

RESPONSE:

- a. The historical information had to be retrieved from archived records and the data had to be reviewed and verified.
- b. KyPSC-DR-01-037(a) Supplemental was sent in on September 9, 2003.

WITNESS RESPONSIBLE: John J. Roebel

KyPSC Staff Data Requests Set No. 2
Case No. 2003-00252
Date Received: September 10, 2003
Response Due Date: September 17, 2003

KyPSC-DR-02-021(c)

REQUEST:

21. Refer to Item 37 of ULH&P's response to the Staff's Initial Request.

c. Part (b) of the response indicates the 2.5 percent escalation factor was based on the 1985-2001 average implied inflation from the Bureau of Economic Analysis of the Department of Commerce. Explain why the Department of Commerce was selected as the source for this information and why 1985-2001 was chosen as the time period for purposes of deriving an escalation factor.

RESPONSE:

It is ULH&P's understanding that the Bureau of Economic Analysis is the authoritative government source for historical inflation information, so that is why it was used. If a longer time period than 1985-2001 had been used, the inflation rate would have been higher (see Attachment KyPSC-DR-02-021c-A), so the time period used in the analysis resulted in a conservative assumption. In addition, the difference between the realized annual yield of the last auction for Standard 10-year Treasury Notes and the realized annual yield of the last auction for 10-year Treasury Inflation-Indexed Securities, which can be viewed as an implied 10-year annual inflation rate, was 2.37% (4.37% less 2.00%). This implied inflation rate is close to the 2.5% rate that was used in the analysis.

WITNESS RESPONSIBLE: Diane L. Jenner; Judah L. Rose

Attachment KyPSC-DR-02-021c-A

**US Gross domestic product - Implicit Price Deflator:
Bureau of Economic Activity, Department of Commerce**

Today is: 4/15/03 Last Revised on March 27, 2003 Next Release Date April 25, 2003

Source: Table 7.1. Quantity and Price Indexes for Gross Domestic Product [Index numbers, 1996=100]

<http://www.bea.doc.gov/bea/dn/nipaweb/TableViewFixed.asp#Mid>

Year	Implicit Price Deflator	Implied Inflation from Previous Year
1970	29.06	5.33%
1971	30.52	5.02%
1972	31.82	4.26%
1973	33.60	5.59%
1974	36.62	8.99%
1975	40.03	9.31%
1976	42.30	5.67%
1977	45.02	6.43%
1978	48.23	7.13%
1979	52.25	8.34%
1980	57.04	9.17%
1981	62.37	9.34%
1982	66.25	6.22%
1983	68.88	3.97%
1984	71.44	3.72%
1985	73.69	3.15%
1986	75.31	2.20%
1987	77.58	3.01%
1988	80.21	3.39%
1989	83.27	3.81%
1990	86.51	3.89%
1991	89.66	3.64%
1992	91.84	2.43%
1993	94.05	2.41%
1994	96.01	2.08%
1995	98.1	2.18%
1996	100	1.94%
1997	101.95	1.95%
1998	103.2	1.23%
1999	104.69	1.44%
2000	106.89	2.10%
2001	109.42	2.37%
2002	110.66	1.13%

Average: 1970-2002: 4.33%
Average: 1980-2002: 3.34%
Average: 1985-2002: 2.46%

KyPSC Staff Data Requests Set No. 2
Case No. 2003-00252
Date Received: September 10, 2003
Response Due Date: September 17, 2003

KyPSC-DR-02-022

REQUEST:

22. Refer to Item 38(b) of ULH&P's response to the Staff's Initial Request.

a. Prepare a schedule that reconciles the annual capital additions for 2003 through 2006 provided in this response with the annual capital additions shown in the Direct Testimony of John P. Steffen ("Steffen Testimony"), Attachment JPS-I. Include a narrative explaining the reason(s) for any differences between the amounts provided in this response by plant or year with the information shown in Attachment JPS-I.

b. The major overhaul for Woodsdale Units 1 and 2 is scheduled for 2003-2004 while the major overhaul for Woodsdale Units 3 and 4 is scheduled for 2004-2005. Explain in detail why the estimated cost of the major overhaul for Woodsdale Units 3 and 4 is approximately 41 percent higher than the estimated cost for Woodsdale Units 1 and 2.

RESPONSE:

a. This information was submitted in KyPSC-DR-01-038(b) Supplemental, which was sent in on September 9, 2003.

b. Unit 1 and Unit 2 received refurbished blades that were taken from Unit 5 and 6. The Unit 1 and 2 blades were not reusable, thus new blades are needed for Units 3 and 4.

WITNESS RESPONSIBLE: John J. Roebel

KyPSC Staff Data Requests Set No. 2
Case No. 2003-00252
Date Received: September 10, 2003
Response Due Date: September 17, 2003

KyPSC-DR-02-023

REQUEST:

23. Refer to Item 39 of ULH&P's response to the Staff's Initial Request, which explains why the 2003 budget was used to estimate fixed O&M expenses for 2006. The response does not include actual expenses for 2000 through 2002 as was requested. Provide those actual expenses as requested.

RESPONSE:

Please see the information contained in the attachment KyPSC-DR-01-037a Supplemental, which were provided to you on September 9, 2003, and which contains actual Fixed O&M expenses.

WITNESS RESPONSIBLE: John J. Roebel

KyPSC Staff Data Requests Set No. 2
Case No. 2003-00252
Date Received: September 10, 2003
Response Due Date: September 17, 2003

KyPSC-DR-02-024

REQUEST:

24. Refer to Item 41 of ULH&P's response to the Staff's Initial Request. The Direct Testimony of J. Thomas Mason, which elicited that specific request, stated that Cinergy would work with its coal suppliers to amend its coal contracts and make ULH&P a party to those contracts. The response indicates there is no reason to believe that amending the contracts in this manner will present a problem. Describe the extent, if any, to which Cinergy has already discussed this issue with its coal suppliers.

RESPONSE:

Cinergy has not yet discussed amending the coal contracts to make ULH&P a party or assigning any contracts to ULH&P. Our experience is that coal supply agreements are routinely assigned to affiliates after the contract is executed. Further, the contracts typically either give the purchaser the unfettered right to assign the contract to an affiliate, or, in the alternative, provide that the other party's approval must be obtained for an assignment, but that such approval shall not be unreasonably withheld. As a result, we foresee no problems in making ULH&P a party to the contracts.

WITNESS RESPONSIBLE: J. Thomas Mason

KyPSC Staff Data Requests Set No. 2
Case No. 2003-00252
Date Received: September 10, 2003
Response Due Date: September 17, 2003

KyPSC-DR-02-025

REQUEST:

25. Refer to Item 42(b) of ULH&P's response to the Staffs Initial Request, which was filed confidentially and which identifies the contracts under which coal is delivered to the East Bend and Miami Fort 6 units.

a. Identify which of the contracts supplies East Bend and which supplies Miami Fort 6.

b. Explain whether the Miami Fort 6 contract(s) serves other units at the Miami Fort generating station.

c. One contract contains a 1-year extension at buyers' sole option.

Describe the limits on that option including any limits on when it can be exercised.

RESPONSE:

a. During the first six months of 2003 East Bend had 64% of its burn requirements supplied by Consol and 18% by Valley Mining. Miami Fort 6 had 41% of its burn requirements supplied by Consol and 26% by Peabody's Federal mine.

b. Yes. Cinergy does not buy coal for specific units. Coal is consigned, predicated upon economic evaluations and operational demands. Coal is purchased for the total system. The contracts serve other units at Miami Fort (units 5 and 7) and other stations in the CG&E system. The contracts, in terms of tonnage, exceed the burn requirements at Miami Fort 6. The coal is consigned in the most economical and technically feasible way possible.

c. Both the Consol and Peabody coal supply agreements contain unilateral one year extension options at the right of the purchaser. The Consol contract was extended, through December 31, 2004, on May 23, 2003. The Peabody Federal contract requires notice, for a one year extension, by July 1, 2004. The decision on this extension will therefore be made next year.

WITNESS RESPONSIBLE: J. Thomas Mason

KyPSC Staff Data Requests Set No. 2
Case No. 2003-00252
Date Received: September 10, 2003
Response Due Date: September 17, 2003

KyPSC-DR-02-026

REQUEST:

26. Refer to Item 48(a) of ULH&P's response to the Staff's Initial Request.
- a. Indicate when the last allocation study was performed by cost accounting.
 - b. Provide a copy of the allocation study.
 - c. Has there been a review of the last allocation study to determine if an allocation based on average peak load was still the most accurate way to split trading and dispatching costs between PSI and CG&E?
 - (1) If yes, when was this review performed and what were the results of the review?
 - (2) If no, explain why a review has not been undertaken.

RESPONSE:

- a. The last allocation study was performed in September 2002.
- b. See Attachment KyPSC-02-026(b).
- c. No, there has not been a review of the last allocation study to determine if an allocation based on average peak load was still the most accurate way to split trading and dispatching costs between PSI and CG&E. A preliminary inquiry was made in the spring of 2002, subsequent to the new JDGA agreement between PSI and CG&E. At that time, it was decided that we would implement a sales based factor as soon as such data becomes available. We did not implement this factor for 2003, since we did not have historical data available. We have begun conducting our study for the 2004 allocation factors and we are implementing this change for 2004.

WITNESS RESPONSIBLE: John P. Steffen

LEA CODE	LEA DESCRIPTION	CORPORATION		2001 Actual		2002 Actual		2003 Budget/Actual	
		CODE	TO LEA CODE	PCTONE	PCTTWO	PCTONE	PCTTWO	PCTONE	PCTTWO
Assignment									
ARG	PSI Argentina		110		100.00%		100.00%		
BRO	Brownsville I LLC		617		100.00%		100.00%	100.00%	
CAD	CinCap VII LLC (Cadiz) (Direct to Corp 100 starting February 2003)		626		100.00%		100.00%	100.00%	
CAN	Cinergy Canada Inc		614		100.00%		100.00%	100.00%	
CBS	Cinergy Business Solutions		651		100.00%		100.00%	100.00%	
CC8	CinCap VIII		625		100.00%		100.00%	100.00%	
CCF	CC Funding Trust I		790				100.00%	100.00%	
CCM	Cinergy Communications Inc		670		100.00%		100.00%	100.00%	
CCT	Cinergy Capital & Trading		620		100.00%		100.00%	100.00%	
CEI	Cinergy Engineering Inc		690		100.00%		100.00%	100.00%	
CGE	Cincinnati Gas & Electric		010		100.00%		100.00%	100.00%	
CGR	Cinergy Global Resources		400		100.00%		100.00%	100.00%	
CGS	Cin GASCO Solutions LLC		844		100.00%		100.00%	100.00%	
CIN	Cinergy Corp Holding Co		800		100.00%		100.00%	100.00%	
CLD	Caledonia I LLC		618		100.00%		100.00%	100.00%	
CMP	Cinergy Global Power		340		100.00%		100.00%	100.00%	
CMT	Cinergy Marketing & Trading		615		100.00%		100.00%	100.00%	
CNT	Cinergy Centrus		710		100.00%		100.00%	100.00%	
COS	Costanera Power Corp		911		100.00%		100.00%	100.00%	
COT	Cin Origination & Trade		010		100.00%		100.00%	100.00%	
CPA	CPI Allowance Management		231		100.00%		100.00%	100.00%	
CPG	Cinergy Power Generation Services		210		100.00%		100.00%	100.00%	
CPI	Cinergy Power Investments		010				100.00%	100.00%	
CSG	CSGP Services LP		646				100.00%	100.00%	
CSL	Cinergy Solutions Inc		641		100.00%		100.00%	100.00%	
CSN	Cinergy Supply Network		350		100.00%		100.00%	100.00%	
CSV	Cinergy Services Inc		500		100.00%		100.00%	100.00%	
CT1	CinTec I LLC		731		100.00%		100.00%	100.00%	
CTH	Cinergy Telecomm Networks Hldgs		671		100.00%		100.00%	100.00%	
CTI	Cinergy Technology Inc		630		100.00%		100.00%	100.00%	
CTL	Cinergy Transportation LLC		622		100.00%		100.00%	100.00%	
CTR	Cinergy Centrus Communications		720		100.00%		100.00%	100.00%	
CVL	Cinergy Ventures LLC		771		100.00%		100.00%	100.00%	
CWE	Cinergy Wholesale Energy		200		100.00%		100.00%	100.00%	
EME	Energy Merchant Employees		010		100.00%		100.00%	100.00%	
EPC	Cinergy EPCOM LLC		652		100.00%		100.00%	100.00%	
ESL	Cinergy e-Supply Network LLC		772		100.00%		100.00%	100.00%	
HAR	West Harrison Gas & Electric		100		100.00%		100.00%	100.00%	
ICT	Cinergy Telecomm Ntwk IN		674		100.00%		100.00%	100.00%	
KCT	Cinergy Telecomm Ntwk KY		675		100.00%		100.00%	100.00%	
KOT	KO Transmission Co		050		100.00%		100.00%	100.00%	
LAN	CSOS of Lansing LLC		632				100.00%	100.00%	
LAW	Lawrenceburg Gas Co		030		100.00%		100.00%	100.00%	
LGR	Lansing Grand River		642		100.00%		100.00%	100.00%	
LH1	LH1		686				100.00%	100.00%	
MAD	CinCap Madison LLC (Direct to Corp 100 starting February 2003)		613		100.00%		100.00%	100.00%	
MEH	M E Holdings		660		100.00%		100.00%	100.00%	
MIA	Miami Power Electric		060		100.00%		100.00%	100.00%	
MVC	CinCap MVC OpCo		621		100.00%		100.00%	100.00%	
NON	Cinergy Investments		600		100.00%		100.00%	100.00%	
OCT	Cinergy Telecomm Ntwk OH		673		100.00%		100.00%	100.00%	
OKL	CSOS of Oklahoma LLC		634				100.00%	100.00%	
OMP	Oak Mountain Prod LLC		687				100.00%	100.00%	
ONE	Cinergy One Inc		773		100.00%		100.00%	100.00%	
PHL	Cinergy Solutions of Philadelphia		645		100.00%		100.00%	100.00%	
PSI	PSI Energy		100		100.00%		100.00%	100.00%	
RES	Cinergy Resources		600		100.00%		100.00%	100.00%	
SHR	CSOS of Stevesport LLC		633		100.00%		100.00%	100.00%	
SN1	SynCap I LLC		616		100.00%		100.00%	100.00%	
SOL	Cinergy Solutions Inc		650		100.00%		100.00%	100.00%	
STB	Cinergy Solutions St Bernard LLC		631				100.00%	100.00%	
STX	CSGP Southeast Texas LLC		643		100.00%		100.00%	100.00%	
SYN	SynCap II LLC		627		100.00%		100.00%	100.00%	
TRI	Tri-State Improvement Co		090		100.00%		100.00%	100.00%	
TUS	Cinergy Solutions of Tuscola		855		100.00%		100.00%	100.00%	
TWO	Cinergy Two Inc		774		100.00%		100.00%	100.00%	
ULH	Union Light Heat & Power		070		100.00%		100.00%	100.00%	
UOM	Cinergy EPCOM College Park LLC		653		100.00%		100.00%	100.00%	

Energy Services, Inc.
Legal Entity Cost Allocation Factors (LEA)

LEA CODE	LEA DESCRIPTION	CORPORATION		2001 Actual		2002 Actual		2003 Budget/Actual	
		CODE	TO LEA CODE	PCTONE	PCTTWO	PCTONE	PCTTWO	PCTONE	PCTTWO
4MH	CG&E Headquarters - Square Footage Occupied	10		53.79%	100.00%	53.79%	100.00%	7.46%	52.34%
		210						6.79%	47.85%
		500	DEC					1.84%	0.00%
			4MH					0.00%	0.00%
			ACC	4.33%	0.00%	4.33%	0.00%	8.31%	0.00%
			CGE	2.41%	0.00%	2.41%	0.00%	3.55%	0.00%
			CNE					3.55%	0.00%
			CNG					3.12%	0.00%
			CTJ					0.26%	0.00%
			DAC	14.52%	0.00%	14.52%	0.00%	6.09%	0.00%
			DEM	1.67%	0.00%	1.67%	0.00%	0.00%	0.00%
			DEV					0.85%	0.00%
			ECT	1.67%	0.00%	1.67%	0.00%	0.00%	0.00%
			EDA	0.80%	0.00%	0.80%	0.00%	5.24%	0.00%
			ELC					1.98%	0.00%
			EME					0.05%	0.00%
			ESO					2.11%	0.00%
			EXE	2.56%	0.00%	2.56%	0.00%	0.16%	0.00%
			HRC	2.96%	0.00%	2.96%	0.00%	0.00%	0.00%
			HJR	6.55%	0.00%	6.55%	0.00%	25.59%	0.00%
			MAT	1.74%	0.00%	1.74%	0.00%	1.44%	0.00%
			MPA					1.02%	0.00%
			ONE					0.64%	0.00%
			PSI					0.38%	0.00%
			PUB	3.24%	0.00%	3.24%	0.00%	1.98%	0.00%
			RBU					3.67%	0.00%
			RWG	3.96%	0.00%	3.96%	0.00%	3.04%	0.00%
			SAL					1.39%	0.00%
			SCC					1.63%	0.00%
			SEL					1.69%	0.00%
			SLJ					0.03%	0.00%
			SMT					1.30%	0.00%
			TDW	0.00%	0.00%	0.00%	0.00%	4.88%	0.00%
				100.00%	100.00%	100.00%	100.00%	100.00%	100.00%
ACC	Accounting and Finance - wght. avg. revenues and construction	10		34.23%	34.23%	30.08%		40.58%	
		30		0.31%	0.31%	0.11%		0.10%	
		50		0.02%	0.02%	0.00%		0.02%	
		70		6.30%	6.30%	1.82%		3.27%	
		80		0.13%	0.13%	0.04%		0.02%	
		100		36.97%	36.97%	35.70%		43.40%	
		200				0.00%		0.00%	
		210				0.00%		0.02%	
		340		0.74%	0.74%	0.00%		0.00%	
		400				0.80%		2.80%	
		614				0.00%		0.01%	
		615				15.25%		0.51%	
		620		16.09%	16.09%	13.16%		0.10%	
		626							
		630		0.01%	0.01%	0.00%		0.00%	
		643				0.00%		0.58%	
		644						0.01%	
		645				0.00%		0.07%	
		650		0.05%	0.05%	0.00%		0.00%	
		651		0.35%	0.35%	0.44%		0.78%	
		652		0.04%	0.04%	0.00%		0.00%	
		653		0.01%	0.01%	0.00%		0.00%	
		687						0.55%	
		771				0.00%		0.00%	
		773				0.00%		0.12%	
		800		4.75%	4.75%	2.40%		7.05%	
				100.00%	100.00%	100.00%	0.00%	100.00%	0.00%
AC1	EMBU General Allocator 1 - allocated between CGE, PSI and CCT - wght. avg. revenues and construction	10				35.01%		46.69%	
		100				44.14%		53.12%	
		620				20.85%		0.19%	
						100.00%	0.00%	100.00%	0.00%
AC2	EMBU General Allocator 2 - allocated between CGE, PSI, CMT, and CCT - wght. avg. revenues and construction	10				28.20%		46.24%	
		100				35.55%		52.81%	
		615				19.46%		0.96%	
		620				16.78%		0.19%	
						100.00%	0.00%	100.00%	0.00%
AC3	EMBU General Allocator 3 - allocated between Energy Merchant corps - wght. avg. revenues and construction	10				28.20%		45.16%	
		100				35.55%		51.42%	
		200				0.00%		0.00%	
		210				0.00%		0.04%	
		614				0.00%		0.02%	
		615				19.46%		0.93%	
		620				16.79%		0.18%	
		643				0.00%		1.08%	
		644						0.02%	
		645				0.00%		0.13%	
		667						1.01%	
						100.00%	0.00%	100.00%	0.00%

LEA CODE	LEA DESCRIPTION	CORPORATION		2001 Actual		2002 Actual		2003 Budget/Actual	
		CODE	TO LEA CODE	PCTONE	PCTTWO	PCTONE	PCTTWO	PCTONE	PCTTWO
AIP	Annual Incentive Plan - previous year actual incentive dollars	010						2.07%	9.57%
		070						0.44%	2.04%
		100						2.16%	9.96%
		210						17.00%	78.43%
		500	4MH					0.09%	0.00%
			AC1					0.05%	0.00%
			AC3					4.03%	0.00%
			ACC					10.49%	0.00%
			CGE					1.15%	0.00%
			CGR					1.26%	0.00%
			CIN					1.88%	0.00%
			CMP					0.11%	0.00%
			CNE					0.06%	0.00%
			CNG					0.72%	0.00%
			CPI					1.03%	0.00%
			CSL					0.05%	0.00%
			CTJ					0.16%	0.00%
			CVL					0.94%	0.00%
			DAC					0.23%	0.00%
			DEC					0.67%	0.00%
			DEV					0.11%	0.00%
			EDA					5.63%	0.00%
			ELC					0.24%	0.00%
			ESO					0.30%	0.00%
			EXE					20.00%	0.00%
			HUR					4.75%	0.00%
			LEG					3.64%	0.00%
			MAT					0.21%	0.00%
			MPA					0.15%	0.00%
			ONE					0.19%	0.00%
			PCO					0.05%	0.00%
			PSI					2.43%	0.00%
			PUB					2.64%	0.00%
			RAC					0.13%	0.00%
			RBU					0.47%	0.00%
			RW2					0.24%	0.00%
			RWG					4.77%	0.00%
			SAL					2.09%	0.00%
			SEL					1.06%	0.00%
			SMT					1.15%	0.00%
			SOL					2.36%	0.00%
			TDW					0.81%	0.00%
			TRN					0.13%	0.00%
			ULH					0.16%	0.00%
			UTL					1.68%	0.00%
								100.00%	100.00%
ATR	Atrium II Floors 5 & 6 - Number of employees using the space	210				12.85%	69.70%	12.85%	69.70%
		500	AC1			3.07%		3.07%	
		500	AC3			16.48%		16.48%	
		500	ACC			1.12%		1.12%	
		500	CGR			1.12%		1.12%	
		500	CMP			1.12%		1.12%	
		500	CPI			6.42%		6.42%	
		500	CSL			2.51%		2.51%	
		500	EME			3.63%		3.63%	
		500	HUR			1.12%		1.12%	
		500	PSI			0.28%		0.28%	
		500	RW2			42.45%		42.45%	
		500	RWG			1.69%		1.69%	
		500	SEL			0.56%		0.56%	
		650				5.59%	30.30%	5.59%	30.30%
						100.00%	100.00%	100.00%	100.00%
BEN	Benefits	10		29.84%	48.91%				
		30		0.10%	0.17%				
		70		3.06%	5.03%				
		100		26.04%	42.71%				
		500	CSV	39.03%	0.00%				
		620		0.96%	1.58%				
		650		0.97%	1.60%				
				100.00%	100.00%				
CNE	Construction expenditures CG&E and Subsidiary Companies - electric	10		94.45%	94.45%	92.96%	92.96%	94.40%	94.40%
		70		5.55%	5.55%	7.04%	7.04%	5.60%	5.60%
				100.00%	100.00%	100.00%	100.00%	100.00%	100.00%
CNG	Construction expenditures CG&E and Subsidiary companies - gas	10		69.16%	69.16%	67.25%	67.25%	75.26%	75.26%
		30		3.23%	3.23%	3.04%	3.04%	1.85%	1.85%
		70		27.81%	27.81%	29.71%	29.71%	23.09%	23.09%
				100.00%	100.00%	100.00%	100.00%	100.00%	100.00%
CNU	Construction expenditures CG&E and Subsidiary companies - joint	10		85.19%	85.19%	86.30%	86.30%	88.84%	88.84%
		30		0.69%	0.69%	0.73%	0.73%	0.46%	0.46%
		70		12.77%	12.77%	12.42%	12.42%	10.50%	10.50%
		90		1.35%	1.35%	0.55%	0.55%	0.20%	0.20%
				100.00%	100.00%	100.00%	100.00%	100.00%	100.00%

LEA CODE	LEA DESCRIPTION	CORPORATION		2001 Actual		2002 Actual		2003 Budget/Actual	
		CODE	TO LEA CODE	PCTONE	PCTTWO	PCTONE	PCTTWO	PCTONE	PCTTWO
CTE	Customers - CG&E and Subsidiary Companies - electric	10		83.86%	83.86%	84.01%	84.01%	83.73%	83.73%
		70		16.14%	16.14%	15.99%	15.99%	16.27%	16.27%
				100.00%	100.00%	100.00%	100.00%	100.00%	100.00%
CTG	Customers - CG&E and Subsidiary Companies - Gas	10		79.29%	79.29%	80.58%	80.58%	79.41%	79.41%
		30		1.38%	1.38%	1.30%	1.30%	1.37%	1.37%
		70		19.33%	19.33%	18.12%	18.12%	19.22%	19.22%
		100.00%	100.00%	100.00%	100.00%	100.00%	100.00%		
CTJ	Customers - CG&E and Subsidiary Companies - joint gas and electric	10		82.22%	82.22%	82.72%	82.72%	82.15%	82.15%
		30		0.50%	0.50%	0.49%	0.49%	0.50%	0.50%
		70		17.28%	17.28%	16.79%	16.79%	17.35%	17.35%
		100.00%	100.00%	100.00%	100.00%	100.00%	100.00%		
CTP	Clenergy Transmission Planning - peaload	10		46.84%	46.84%	46.00%	46.00%	46.45%	46.45%
		100		53.16%	53.16%	54.00%	54.00%	53.55%	53.55%
		100.00%	100.00%	100.00%	100.00%	100.00%	100.00%		
DAC	Data Center - CPU seconds	10		34.04%	56.55%	57.77%	58.50%	59.30%	60.08%
		30		0.16%	0.16%	0.22%	0.22%	0.21%	0.21%
		70		5.39%	5.39%	8.79%	8.90%	8.31%	8.42%
		100		15.39%	37.90%	31.42%	31.81%	30.08%	30.47%
		210				0.00%	0.00%	0.32%	0.32%
		400				0.00%	0.00%	0.02%	0.02%
		500	ACC	16.25%	0.00%	1.23%	0.00%	1.28%	0.00%
			EDA	10.22%	0.00%	0.00%	0.00%	0.00%	0.00%
			MAT	18.17%	0.00%	0.00%	0.00%	0.00%	0.00%
			PUB	0.38%	0.00%	0.00%	0.00%	0.00%	0.00%
		600				0.18%	0.18%	0.31%	0.31%
		615				0.07%	0.07%	0.00%	0.00%
		620				0.23%	0.23%	0.00%	0.00%
		641				0.08%	0.08%	0.12%	0.12%
770				0.00%	0.00%	0.01%	0.01%		
800				0.01%	0.01%	0.04%	0.04%		
		100.00%	100.00%	100.00%	100.00%	100.00%	100.00%		
DEC	Electric Distribution, Engineering & Construction - electric construction expenditures - distribution	10		36.90%	36.90%	36.92%	36.92%	37.15%	37.15%
		70		7.13%	7.13%	9.41%	9.41%	7.54%	7.54%
		100		55.97%	55.97%	53.67%	53.67%	55.31%	55.31%
		100.00%	100.00%	100.00%	100.00%	100.00%	100.00%		
DEM	Electric System Maintenance - Distribution - circuit miles	10		40.02%	40.02%	39.78%	39.78%	39.81%	39.81%
		70		6.88%	6.88%	6.87%	6.87%	6.96%	6.96%
		100		53.10%	53.10%	53.35%	53.35%	53.23%	53.23%
		100.00%	100.00%	100.00%	100.00%	100.00%	100.00%		
DEV	Economic Development - CG&E and ULH&P - Customers	10		82.63%	82.63%	83.13%	83.13%	82.57%	82.57%
		70		17.37%	17.37%	16.87%	16.87%	17.43%	17.43%
		100.00%	100.00%	100.00%	100.00%	100.00%	100.00%		
ECM	Electric Circuit Miles - CG&E and Subsidiary Companies - circuit miles	10		85.33%	85.33%	85.28%	85.28%	85.12%	85.12%
		70		14.67%	14.67%	14.72%	14.72%	14.88%	14.88%
		100.00%	100.00%	100.00%	100.00%	100.00%	100.00%		
ECT	Electric Transmission Eng & Construct - electric construction expenditures - transmission	10		48.70%	48.70%	23.86%	23.88%	24.74%	24.74%
		70		1.98%	1.98%	1.15%	1.15%	4.71%	4.71%
		100		49.32%	49.32%	74.99%	74.99%	70.55%	70.55%
		100.00%	100.00%	100.00%	100.00%	100.00%	100.00%		
EDA	Energy Delivery Administration - Wght. Avg. Rev. & Sales	10		43.98%	43.98%	44.68%	44.68%	46.09%	46.09%
		30		0.40%	0.40%	0.62%	0.62%	0.29%	0.29%
		50		0.03%	0.03%	0.00%	0.00%	0.00%	0.00%
		70		8.09%	8.09%	10.75%	10.75%	9.47%	9.47%
		100		47.50%	47.50%	43.85%	43.85%	44.15%	44.15%
		100.00%	100.00%	100.00%	100.00%	100.00%	100.00%		
ELC	Electric Customers - number of electric customers	10		43.57%	43.57%	43.99%	43.99%	43.21%	43.21%
		70		8.39%	8.39%	8.37%	8.37%	8.40%	8.40%
		100		48.04%	48.04%	47.64%	47.64%	48.39%	48.39%
		100.00%	100.00%	100.00%	100.00%	100.00%	100.00%		

LEA CODE	LEA DESCRIPTION	CORPORATION		2001 Actual		2002 Actual		2003 Budget/Actual			
		CODE	TO LEA CODE	PCTONE	PCTTWO	PCTONE	PCTTWO	PCTONE	PCTTWO		
EME	Energy Merchant Employees - EMBU number of employees	10				0.00%	0.00%	0.00%	0.00%		
		100				29.41%	32.55%	26.78%	28.96%		
		210					54.54%	60.38%	54.75%	61.24%	
		500									
			AC1					1.27%	0.00%	0.56%	0.00%
			AC2					0.42%	0.00%	0.00%	0.00%
			AC3					0.19%	0.00%	2.17%	0.00%
			CCT					0.35%	0.00%	0.00%	0.00%
			CMT					0.00%	0.00%	0.79%	0.00%
			CP1					0.73%	0.00%	1.01%	0.00%
			CSL					0.27%	0.00%	0.30%	0.00%
			PSI					0.00%	0.00%	0.04%	0.00%
			RW2					6.41%	0.00%	5.73%	0.00%
		620						4.13%	4.57%	3.67%	4.11%
		641						1.12%	1.24%	1.20%	1.34%
		642						0.50%	0.56%	0.45%	0.50%
		643						0.04%	0.04%	1.48%	1.63%
645						0.00%	0.00%	0.45%	0.50%		
655						<u>0.62%</u>	<u>0.68%</u>	<u>0.64%</u>	<u>0.72%</u>		
						100.00%	100.00%	100.00%	100.00%		
ESO	Electric System Operation - electric sales	10		36.41%	36.41%	35.96%	35.96%	36.57%	36.57%		
		70		6.18%	6.18%	6.27%	6.27%	5.76%	5.76%		
		100		<u>57.41%</u>	<u>57.41%</u>	<u>57.77%</u>	<u>57.77%</u>	<u>57.67%</u>	<u>57.67%</u>		
				100.00%	100.00%	100.00%	100.00%	100.00%	100.00%		
EXE	Executive - revenues and sales	10		32.77%	32.77%	29.35%	29.35%	40.07%	40.07%		
		30		0.31%	0.31%	0.06%	0.06%	0.07%	0.07%		
		50		0.02%	0.02%	0.00%	0.00%	0.03%	0.03%		
		70		6.37%	6.37%	1.21%	1.21%	2.83%	2.83%		
		100		33.11%	33.11%	29.26%	29.26%	41.38%	41.38%		
		210				0.00%	0.00%	0.03%	0.03%		
		340		0.92%	0.92%	0.00%	0.00%	0.00%	0.00%		
		400				1.13%	1.13%	3.50%	3.50%		
		614				0.00%	0.00%	0.01%	0.01%		
		615				19.05%	19.05%	0.49%	0.49%		
		620		20.02%	20.02%	16.45%	16.45%	0.13%	0.13%		
		643				0.00%	0.00%	0.72%	0.72%		
		644						0.01%	0.01%		
		645				0.00%	0.00%	0.09%	0.09%		
		650		0.04%	0.04%	0.00%	0.00%	0.00%	0.00%		
		651		0.44%	0.44%	0.55%	0.55%	0.98%	0.98%		
		652		0.05%	0.05%	0.00%	0.00%	0.00%	0.00%		
653		0.01%	0.01%	0.00%	0.00%	0.00%	0.00%				
687						0.69%	0.69%				
773				0.00%	0.00%	0.15%	0.15%				
800				<u>5.94%</u>	<u>5.94%</u>	<u>2.94%</u>	<u>2.94%</u>				
				100.00%	100.00%	100.00%	100.00%				
FND	Foundation	010		62.92%	62.92%	62.92%	62.92%	62.92%	62.92%		
		100		<u>37.08%</u>	<u>37.08%</u>	<u>37.08%</u>	<u>37.08%</u>	<u>37.08%</u>	<u>37.08%</u>		
				100.00%	100.00%	100.00%	100.00%	100.00%	100.00%		
GBU	Gas Business Unit - gas sales	10		79.04%	79.04%	79.89%	79.89%	79.58%	79.58%		
		30		2.10%	2.10%	1.93%	1.93%	0.99%	0.99%		
		70		<u>18.86%</u>	<u>18.86%</u>	<u>18.18%</u>	<u>18.18%</u>	<u>19.43%</u>	<u>19.43%</u>		
				100.00%	100.00%	100.00%	100.00%	100.00%	100.00%		
GSR	System Control Load Dispatch - electric sales	10		36.41%	36.41%	35.96%	35.96%	36.57%	36.57%		
		70		6.18%	6.18%	6.27%	6.27%	5.76%	5.76%		
		100		<u>57.41%</u>	<u>57.41%</u>	<u>57.77%</u>	<u>57.77%</u>	<u>57.67%</u>	<u>57.67%</u>		
				100.00%	100.00%	100.00%	100.00%	100.00%	100.00%		
GTR	Gas Trouble System - gas customers	10		79.29%	79.29%	80.58%	80.58%	79.41%	79.41%		
		30		1.38%	1.38%	1.30%	1.30%	1.37%	1.37%		
		70		<u>19.33%</u>	<u>19.33%</u>	<u>18.12%</u>	<u>18.12%</u>	<u>19.22%</u>	<u>19.22%</u>		
				100.00%	100.00%	100.00%	100.00%	100.00%	100.00%		
HRC	Human Resources - CG&E and Subsidiary Companies - number of employees	10		90.40%	90.40%	85.81%	85.81%	85.52%	85.52%		
		30		0.31%	0.31%	0.52%	0.52%	0.57%	0.57%		
		70		<u>9.29%</u>	<u>9.29%</u>	<u>13.67%</u>	<u>13.67%</u>	<u>13.91%</u>	<u>13.91%</u>		
				100.00%	100.00%	100.00%	100.00%	100.00%	100.00%		

LEA CODE	LEA DESCRIPTION	CORPORATION CODE	TO LEA CODE	2001 Actual		2002 Actual		2003 Budget/Actual	
				PCTONE	PCTTWO	PCTONE	PCTTWO	PCTONE	PCTTWO
4UR	Human Resources - number of employees	10	CQR	29.83%	48.92%	19.43%	29.13%	18.50%	27.09%
		30	L	0.10%	0.17%	0.12%	0.16%	0.12%	0.18%
		70	MLHP	3.07%	5.03%	3.09%	4.64%	3.01%	4.41%
		100	P	26.04%	42.70%	23.03%	34.52%	23.31%	34.14%
		210	CDLS			18.46%	27.68%	20.00%	29.30%
		500	SVC5			0.00%	0.00%	0.31%	0.00%
			4MH	0.29%	0.00%	0.00%	0.00%	2.84%	0.00%
			ACC	2.52%	0.00%	2.92%	0.00%	0.21%	0.00%
			AC1			0.43%	0.00%	0.00%	0.00%
			AC2			0.14%	0.00%	0.00%	0.00%
			AC3			0.07%	0.00%	0.79%	0.00%
			CCT			0.12%	0.00%	0.00%	0.00%
			CGE	2.16%	0.00%	0.00%	0.00%	2.80%	0.00%
			CGR	0.65%	0.00%	0.00%	0.00%	0.08%	0.00%
			CIN	0.18%	0.00%	0.00%	0.00%	0.15%	0.00%
			CNP			0.00%	0.00%	0.07%	0.00%
			CMT			0.00%	0.00%	0.29%	0.00%
			CNE			0.00%	0.00%	1.33%	0.00%
			CNG			0.00%	0.00%	0.86%	0.00%
			CPI			0.25%	0.00%	0.40%	0.00%
			CSL			0.09%	0.00%	0.11%	0.00%
			CSN			0.00%	0.00%	0.01%	0.00%
			CTE			0.00%	0.00%	0.07%	0.00%
			CTG			0.00%	0.00%	0.12%	0.00%
			CTJ			0.00%	0.00%	2.07%	0.00%
			CVL			0.00%	0.00%	0.07%	0.00%
			DAC	2.22%	0.00%	0.00%	0.00%	0.37%	0.00%
			DEC	1.22%	0.00%	0.17%	0.00%	0.40%	0.00%
			DEM	1.56%	0.00%	2.79%	0.00%	0.00%	0.00%
			DEV			0.00%	0.00%	0.04%	0.00%
			ECM	0.14%	0.00%	0.00%	0.00%	0.00%	0.00%
			ECT	1.16%	0.00%	3.97%	0.00%	0.00%	0.00%
			EDA	1.45%	0.00%	0.00%	0.00%	0.59%	0.00%
			ELC			0.00%	0.00%	0.52%	0.00%
			EME			0.00%	0.00%	0.21%	0.00%
			ESO	0.13%	0.00%	0.00%	0.00%	2.31%	0.00%
			EXE	1.36%	0.00%	1.19%	0.00%	0.70%	0.00%
			FND	0.04%	0.00%	0.00%	0.00%	0.00%	0.00%
			GBU	0.52%	0.00%	0.00%	0.00%	0.00%	0.00%
			LEG	0.88%	0.00%	0.86%	0.00%	0.83%	0.00%
			MAT	1.40%	0.00%	2.14%	0.00%	0.48%	0.00%
			MPA			0.00%	0.00%	0.16%	0.00%
			ONE			0.00%	0.00%	0.16%	0.00%
			PCO	0.19%	0.00%	0.00%	0.00%	0.22%	0.00%
			PEC			2.32%	0.00%	0.00%	0.00%
			PSI	1.03%	0.00%	0.00%	0.00%	5.01%	0.00%
			PUB	6.23%	0.00%	7.98%	0.00%	0.83%	0.00%
			RAC			0.00%	0.00%	0.42%	0.00%
			RBU			0.00%	0.00%	0.44%	0.00%
			RW2			2.17%	0.00%	2.16%	0.00%
			RWG	8.70%	0.00%	0.00%	0.00%	2.00%	0.00%
			SAL	1.28%	0.00%	0.64%	0.00%	0.97%	0.00%
			SMT			0.00%	0.00%	0.23%	0.00%
			SOL	0.53%	0.00%	0.00%	0.00%	0.08%	0.00%
			TRN	3.18%	0.00%	5.05%	0.00%	0.11%	0.00%
			ULH			0.00%	0.00%	0.10%	0.00%
		620		0.96%	1.58%	1.40%	2.09%	1.34%	1.96%
		641				0.38%	0.57%	0.44%	0.64%
		642				0.17%	0.25%	0.16%	0.23%
		643				0.01%	0.02%	0.53%	0.78%
		645				0.00%	0.00%	0.16%	0.23%
		650		0.87%	1.80%	0.00%	0.00%	0.00%	0.00%
		651				0.40%	0.61%	0.48%	0.70%
		655				0.21%	0.31%	0.23%	0.34%
				100.00%	100.00%	100.00%	100.00%	100.00%	100.00%

LEA CODE	LEA DESCRIPTION	CORPORATION CODE	TO LEA CODE	2001 Actual		2002 Actual		2003 Budget/Actual	
				PCTONE	PCTTWO	PCTONE	PCTTWO	PCTONE	PCTTWO
NT	Interest Expense - Service Co. Bills	10		45.90%	45.90%	45.98%	45.98%	41.70%	41.70%
		30		0.14%	0.14%	0.23%	0.23%	0.16%	0.16%
		50				0.01%	0.01%		
		70		5.42%	5.42%	5.08%	5.06%	5.05%	5.05%
		90		0.04%	0.04%	0.02%	0.02%	0.03%	0.03%
		100		39.70%	39.70%	39.29%	39.29%	41.85%	41.85%
		200						0.05%	0.05%
		210						1.40%	1.40%
		340		0.62%	0.62%	0.66%	0.66%	0.30%	0.30%
		350		0.05%	0.05%			0.01%	0.01%
		400		0.80%	0.80%	0.51%	0.51%	0.40%	0.40%
		600		0.35%	0.35%	0.06%	0.06%	0.04%	0.04%
		613				0.07%	0.07%		
		615				0.12%	0.12%	2.38%	2.38%
		617						0.01%	0.01%
		618						0.01%	0.01%
		620		2.58%	2.58%	3.27%	3.27%	2.88%	2.88%
		621		0.02%	0.02%				
		625		0.09%	0.09%				
		630		0.11%	0.11%	0.09%	0.09%	0.05%	0.05%
		641				1.15%	1.15%	1.24%	1.24%
		642						0.01%	0.01%
		643				0.07%	0.07%	0.04%	0.04%
		645						0.04%	0.04%
		650		2.04%	2.04%	1.44%	1.44%	0.75%	0.75%
		651		0.38%	0.38%	0.06%	0.06%	0.10%	0.10%
		652		0.17%	0.17%				
		653		0.05%	0.05%				
		655		0.13%	0.13%	0.13%	0.13%	0.06%	0.06%
		660		0.16%	0.16%	0.01%	0.01%		
670				0.07%	0.07%				
672									
710				0.04%	0.04%				
771				0.39%	0.39%	0.20%	0.20%		
773				0.07%	0.07%	0.28%	0.28%		
800				1.18%	1.18%	1.16%	1.16%		
				1.25%	1.25%	1.18%	1.18%		
				100.00%	100.00%	100.00%	100.00%		
LEE	Legal - Wght. Avg. - employees, construction expenditures, customers - electric companies	10		47.21%	47.21%	51.05%	51.05%	51.19%	51.19%
		70		7.72%	7.72%	10.85%	10.85%	10.82%	10.82%
		100		45.07%	45.07%	38.10%	38.10%	37.99%	37.99%
				100.00%	100.00%	100.00%	100.00%	100.00%	100.00%
LEG	Legal - Wght. Avg. - employees, construction expenditures, customers	10		40.60%	46.51%	35.13%	39.48%	37.45%	42.07%
		30		0.24%	0.27%	0.24%	0.27%	0.22%	0.25%
		70		6.64%	7.61%	6.17%	6.93%	6.27%	7.04%
		90		0.22%	0.25%	0.07%	0.08%	0.03%	0.03%
		100		38.76%	44.40%	40.44%	45.44%	37.31%	41.91%
		200						0.00%	0.00%
		210				6.09%	6.84%	6.44%	7.24%
		500	4MH	0.10%	0.00%	0.00%	0.00%	0.10%	0.00%
			ACC	0.84%	0.00%	0.97%	0.00%	0.85%	0.00%
			AC1			0.14%	0.00%	0.07%	0.00%
			AC2			0.05%	0.00%	0.00%	0.00%
			AC3			0.02%	0.00%	0.28%	0.00%
			CCT			0.04%	0.00%	0.00%	0.00%
			CGE	0.72%	0.00%	0.00%	0.00%	0.80%	0.00%
			CGR	0.22%	0.00%	0.00%	0.00%	0.03%	0.00%
			CIN	0.06%	0.00%	0.00%	0.00%	0.05%	0.00%
			CMP			0.00%	0.00%	0.02%	0.00%
			CMT			0.00%	0.00%	0.09%	0.00%
			CNE			0.00%	0.00%	0.43%	0.00%
			CNG			0.00%	0.00%	0.28%	0.00%
			CPI			0.08%	0.00%	0.13%	0.00%
			CSL			0.03%	0.00%	0.04%	0.00%
			CTE			0.00%	0.00%	0.02%	0.00%
			CTG			0.00%	0.00%	0.04%	0.00%
			CTJ			0.00%	0.00%	0.67%	0.00%
			CVL			0.00%	0.00%	0.02%	0.00%
			DAC	0.74%	0.00%	0.00%	0.00%	0.12%	0.00%
			DEC	0.40%	0.00%	0.06%	0.00%	0.13%	0.00%
			DEM	0.52%	0.00%	0.82%	0.00%	0.00%	0.00%
			DEV			0.00%	0.00%	0.01%	0.00%
			ECM	0.05%	0.00%	0.00%	0.00%	0.00%	0.00%
			ECT	0.39%	0.00%	1.31%	0.00%	0.00%	0.00%
			EDA	0.48%	0.00%	0.00%	0.00%	0.19%	0.00%
			ELC			0.00%	0.00%	0.17%	0.00%
			EME			0.00%	0.00%	0.07%	0.00%
			ESO	0.04%	0.00%	0.00%	0.00%	0.75%	0.00%
			EXE	0.45%	0.00%	0.39%	0.00%	0.22%	0.00%
			FND	0.01%	0.00%	0.00%	0.00%	0.00%	0.00%
			GBU	0.17%	0.00%	0.00%	0.00%	0.00%	0.00%
			HUR	0.62%	0.00%	1.67%	0.00%	1.01%	0.00%
			MAT	0.46%	0.00%	0.71%	0.00%	0.18%	0.00%
			MPA			0.00%	0.00%	0.05%	0.00%
			ONE			0.00%	0.00%	0.05%	0.00%
			PCO	0.07%	0.00%	0.00%	0.00%	0.07%	0.00%
			PEC			0.77%	0.00%	0.00%	0.00%
			PSI	0.34%	0.00%	0.00%	0.00%	1.81%	0.00%
			PUB	2.08%	0.00%	2.83%	0.00%	0.27%	0.00%
			RAC			0.00%	0.00%	0.14%	0.00%
			RBU			0.00%	0.00%	0.14%	0.00%
			RW2			0.72%	0.00%	0.70%	0.00%
	RWG	2.80%	0.00%	0.00%	0.00%	0.64%	0.00%		
	SAL	0.43%	0.00%	0.21%	0.00%	0.31%	0.00%		
	SMT			0.00%	0.00%	0.08%	0.00%		
	SOL	0.18%	0.00%	0.00%	0.00%	0.03%	0.00%		
	TRN	0.44%	0.00%	0.28%	0.00%	0.04%	0.00%		
	ULH			0.00%	0.00%	0.03%	0.00%		
	615			0.00%	0.00%	0.21%	0.24%		
	620			0.44%	0.51%	0.43%	0.48%		
	626								
	630			0.02%	0.02%	0.00%	0.00%		
	641			0.13%	0.15%	0.14%	0.16%		
	642			0.06%	0.07%	0.05%	0.06%		
	643			0.00%	0.00%	0.17%	0.19%		

LEA CODE	LEA DESCRIPTION	CORPORATION		2001 Actual		2002 Actual		2003 Budget/Actual	
		CODE	TO LEA CODE	PCTONE	PCTTWO	PCTONE	PCTTWO	PCTONE	PCTTWO
845				0.00%	0.00%	0.00%	0.00%	0.05%	0.06%
850				0.37%	0.43%	0.00%	0.00%	0.00%	0.00%
851						0.13%	0.15%	0.18%	0.18%
855						0.07%	0.08%	0.08%	0.08%
771						0.00%	0.00%	0.00%	0.00%
				100.00%	100.00%	100.00%	100.00%	100.00%	100.00%

LEA CODE	LEA DESCRIPTION	CORPORATION		2001 Actual		2002 Actual		2003 Budget/Actual		
		CODE	TO LEA CODE	PCTONE	PCTTWO	PCTONE	PCTTWO	PCTONE	PCTTWO	
LTP	Long-term Incentive Plan - previous year actual incentive dollars	10						0.26%	2.53%	
		100						0.23%	2.25%	
		210						7.18%	69.17%	
		500	4MH						0.38%	0.00%
			AC3						6.50%	0.00%
			ACC						6.40%	0.00%
			BRO						0.01%	0.00%
			CAD						0.01%	0.00%
			CGE						0.16%	0.00%
			CGR						8.81%	0.00%
			CIN						2.55%	0.00%
			CLD						0.01%	0.00%
			CMP						0.73%	0.00%
			CNG						0.67%	0.00%
			CPC						0.01%	0.00%
			CPI						1.13%	0.00%
			DEC						0.45%	0.00%
			EDA						5.45%	0.00%
			EME						0.39%	0.00%
			ESO						0.58%	0.00%
			EXE						27.61%	0.00%
			HUR						2.74%	0.00%
			LEG						3.09%	0.00%
			MAD						0.01%	0.00%
			PSI						6.83%	0.00%
			PUB						2.22%	0.00%
			RBU						0.26%	0.00%
			RW2						0.06%	0.00%
			RWG						2.55%	0.00%
			SAL						2.14%	0.00%
			SEL						0.64%	0.00%
			SMT						0.49%	0.00%
			SOL						3.92%	0.00%
	TDW						0.25%	0.00%		
	UTL						2.57%	0.00%		
		650					2.71%	25.05%		
							100.00%	100.00%		
MAT	Material Management - Wght. Avg. - revenues and construction	10		42.67%	42.67%	43.69%	43.69%	47.21%	47.21%	
		70		7.25%	7.25%	12.18%	12.18%	10.73%	10.73%	
		100		50.08%	50.08%	44.13%	44.13%	42.06%	42.06%	
				100.00%	100.00%	100.00%	100.00%	100.00%	100.00%	
MFR	IT Mainframe Development & Support - CPU seconds	10		34.03%	61.91%	57.77%	58.50%	59.30%	60.08%	
		30		0.16%	0.29%	0.22%	0.22%	0.21%	0.21%	
		70		5.39%	9.80%	8.79%	8.90%	8.31%	8.42%	
		100		15.40%	28.00%	31.42%	31.81%	30.08%	30.47%	
		210				0.00%	0.00%	0.32%	0.32%	
		400				0.00%	0.00%	0.02%	0.02%	
		500	ACC	16.25%	0.00%	1.23%	0.00%	1.28%	0.00%	
			EDA	10.22%	0.00%	0.00%	0.00%	0.00%	0.00%	
			MAT	18.17%	0.00%	0.00%	0.00%	0.00%	0.00%	
			PUB	0.38%	0.00%	0.00%	0.00%	0.00%	0.00%	
		600				0.18%	0.18%	0.31%	0.31%	
		615				0.07%	0.07%	0.00%	0.00%	
		620				0.23%	0.23%	0.00%	0.00%	
641				0.08%	0.08%	0.12%	0.12%			
770				0.00%	0.00%	0.01%	0.01%			
800				0.01%	0.01%	0.04%	0.04%			
				100.00%	100.00%	100.00%	100.00%	100.00%		
MKI	Marketing Information System - Number of customers	10		48.75%	48.75%	50.93%	50.93%	49.78%	49.78%	
		30		0.29%	0.29%	0.30%	0.30%	0.30%	0.30%	
		70		10.25%	10.25%	10.34%	10.34%	10.51%	10.51%	
		100		35.11%	35.11%	35.03%	35.03%	35.97%	35.97%	
		773		5.60%	5.60%	3.40%	3.40%	3.44%	3.44%	
		100.00%	100.00%	100.00%	100.00%	100.00%	100.00%			
MPA	Manager Plant Acctg. - Wght. Avg. sales and construction for applicable companies	10		43.92%	43.92%	44.33%	44.33%	46.49%	46.49%	
		30		0.40%	0.40%	0.16%	0.16%	0.11%	0.11%	
		70		8.08%	8.08%	2.83%	2.83%	3.75%	3.75%	
		90		0.17%	0.17%	0.06%	0.06%	0.02%	0.02%	
		100		47.43%	47.43%	52.62%	52.62%	49.63%	49.63%	
		100.00%	100.00%	100.00%	100.00%	100.00%	100.00%			
MVT	Metering Translation System - electric customers	10		47.56%	47.56%	48.00%	48.00%	47.18%	47.18%	
		100		52.44%	52.44%	52.00%	52.00%	52.82%	52.82%	
		100.00%	100.00%	100.00%	100.00%	100.00%	100.00%			

LEA CODE	LEA DESCRIPTION	CORPORATION		2001 Actual		2002 Actual		2003 Budget/Actual	
		CODE	TO LEA CODE	PCTONE	PCTTWO	PCTONE	PCTTWO	PCTONE	PCTTWO
PCO	PSI Headquarters - square footage occupied	100		58.22%	100.00%	58.22%	100.00%	8.84%	47.56%
		210						7.22%	39.73%
		500	DEC					6.68%	0.00%
			4MH					0.09%	0.00%
			ACC	4.58%	0.00%	4.58%	0.00%	4.96%	0.00%
			AC1					0.14%	0.00%
			AC3					1.85%	0.00%
			CIN	0.27%	0.00%	0.27%	0.00%	0.31%	0.00%
			CNE					0.23%	0.00%
			CPI					0.20%	0.00%
			CSL					0.33%	0.00%
			CVL					0.06%	0.00%
			DAC	8.86%	0.00%	8.86%	0.00%	0.49%	0.00%
			DEM	0.51%	0.00%	0.51%	0.00%	0.00%	0.00%
			ECT	0.81%	0.00%	0.81%	0.00%	0.00%	0.00%
			EDA	1.05%	0.00%	1.05%	0.00%	3.06%	0.00%
			ELC					0.55%	0.00%
			EME					0.49%	0.00%
			EXE	4.44%	0.00%	4.44%	0.00%	8.83%	0.00%
			HJR	3.89%	0.00%	3.89%	0.00%	13.04%	0.00%
			LEG	4.17%	0.00%	4.17%	0.00%	5.57%	0.00%
			MAT	2.21%	0.00%	2.21%	0.00%	1.36%	0.00%
			MPA					0.05%	0.00%
			ONE					0.50%	0.00%
			PSI					16.34%	0.00%
			PUB	4.71%	0.00%	4.71%	0.00%	0.89%	0.00% (PUB and RAT combined)
			RBU					2.40%	0.00%
			RWZ					3.70%	0.00%
			RWG	4.34%	0.00%	4.34%	0.00%	4.42%	0.00%
			SAL					3.58%	0.00%
			SEL					1.94%	0.00%
			SMT					0.09%	0.00%
			SOL	2.14%	0.00%	2.14%	0.00%	0.19%	0.00%
			TDW					1.45%	0.00%
641						1.18%	6.38%		
651						1.15%	6.33%		
				100.00%	100.00%	100.00%	100.00%	100.00%	100.00%
PEC	Power Engineering & Construction - electric production construction expenditures	10		42.39%	42.39%	27.95%	27.95%	39.33%	39.33%
		100		57.61%	57.61%	72.05%	72.05%	60.67%	60.67%
				100.00%	100.00%	100.00%	100.00%	100.00%	100.00%
PLC	Plant Accounting - CG&E and Subsidiary companies - wght. avg sales and construction	10		83.54%	83.54%	79.41%	79.41%	82.45%	82.45%
		30		0.76%	0.76%	1.09%	1.09%	0.52%	0.52%
		70		15.38%	15.38%	19.10%	19.10%	16.93%	16.93%
		90		0.32%	0.32%	0.40%	0.40%	0.10%	0.10%
				100.00%	100.00%	100.00%	100.00%	100.00%	100.00%
PUB	Public Affairs - customers	10		51.64%	51.64%	52.72%	52.72%	51.55%	51.55%
		30		0.31%	0.31%	0.31%	0.31%	0.32%	0.32%
		70		10.86%	10.86%	10.70%	10.70%	10.88%	10.88%
		100		37.19%	37.19%	36.27%	36.27%	37.25%	37.25%
				100.00%	100.00%	100.00%	100.00%	100.00%	100.00%
RAC	Rates - CG&E and Subsidiary Companies - sales	10		83.06%	83.06%	82.92%	82.92%	83.81%	83.81%
		30		0.79%	0.79%	0.82%	0.82%	0.38%	0.38%
		70		16.15%	16.15%	16.26%	16.26%	15.81%	15.81%
				100.00%	100.00%	100.00%	100.00%	100.00%	100.00%
RBU	Regulated Business Employees - number of RBBU employees	10		34.11%	53.82%	34.41%	54.39%	31.92%	52.65%
		30		0.19%	0.30%	0.21%	0.33%	0.21%	0.35%
		70		5.44%	8.58%	5.48%	8.67%	5.20%	8.58%
		100		23.64%	37.30%	23.18%	36.61%	23.29%	38.42%
		210				0.00%	0.00%	0.00%	0.00%
		500	4MH			0.00%	0.00%	0.54%	0.00%
			ACC			0.62%	0.00%	0.89%	0.00%
			CGE	3.89%		0.00%	0.00%	4.85%	0.00%
			CIN			0.00%	0.00%	0.12%	0.00%
			CNE			0.00%	0.00%	2.29%	0.00%
			CNG			0.00%	0.00%	1.49%	0.00%
			CSN			0.00%	0.00%	0.02%	0.00%
			CTE			0.00%	0.00%	0.12%	0.00%
			CTG			0.00%	0.00%	0.21%	0.00%
			CTJ			0.00%	0.00%	3.57%	0.00%
			CVL			0.00%	0.00%	0.09%	0.00%
			DAC			0.00%	0.00%	0.64%	0.00%
			DEC	2.20%		0.30%	0.00%	0.89%	0.00%
			DEM	2.74%		4.70%	0.00%	0.00%	0.00%
			DEV			0.00%	0.00%	0.07%	0.00%
			ECM	0.26%					
			ECT	2.06%		7.03%	0.00%	0.00%	0.00%
			EDA	2.11%		0.00%	0.00%	1.02%	0.00%
			ELC			0.00%	0.00%	0.90%	0.00%
			ESO	0.23%		0.00%	0.00%	4.00%	0.00% (ESO, SEL and TDW combined)
			EXE			0.81%	0.00%	0.12%	0.00%
			GBU	0.94%					
	HJR			0.00%	0.00%	1.32%	0.00%		
	LEG			0.00%	0.00%	0.00%	0.00%		
	MAT	2.37%		2.43%	0.00%	0.33%	0.00%		
	ONE			0.00%	0.00%	0.28%	0.00%		
	PCO			0.00%	0.00%	0.38%	0.00%		
	PEC			4.12%	0.00%	0.00%	0.00%		
	PSI	2.18%		0.00%	0.00%	8.63%	0.00%		
	PUB	10.78%		12.86%	0.00%	1.23%	0.00%		
	RAC			0.00%	0.00%	0.73%	0.00% (RAC and SLJ combined)		
	RWZ			0.00%	0.00%	0.12%	0.00%		
	RWG	5.95%		0.00%	0.00%	2.29%	0.00% (RWG, SCC and WPT combined)		
	SAL	0.91%		0.19%	0.00%	1.58%	0.00% (SAL and UTL combined)		
	SMT			0.00%	0.00%	0.40%	0.00%		
	TRN			3.68%	0.00%	0.19%	0.00%		
	ULH			0.00%	0.00%	0.17%	0.00%		
620				0.00%	0.00%	0.00%	0.00%		
641				0.00%	0.00%	0.00%	0.00%		
642				0.00%	0.00%	0.00%	0.00%		
643				0.00%	0.00%	0.00%	0.00%		

LEA CODE

LEA DESCRIPTION

CORPORATION		2001 Actual		2002 Actual		2003 Budget/Actual	
CODE	ID/LEA CODE	PCTONE	PCTTWO	PCTONE	PCTTWO	PCTONE	PCTTWO
551				0.00%	0.00%	0.00%	0.00%
555				0.00%	0.00%	0.00%	0.00%
		100.00%	100.00%	100.00%	100.00%	100.00%	100.00%

LEA CODE	LEA DESCRIPTION	CORPORATION		2001 Actual		2002 Actual		2003 Budget/Actual	
		CODE	TO LEA CODE	PCTONE	PCTTWO	PCTONE	PCTTWO	PCTONE	PCTTWO
RDB	Remote Deposit Tracking	10		46.50%	46.50%				
		30		0.32%	0.32%				
		70		8.85%	8.85%				
		100		<u>44.33%</u>	<u>44.33%</u>				
				100.00%	100.00%				
RWG	Generation & Transmission Services - peakload	10		46.84%	46.84%	46.00%	46.00%	46.45%	46.45%
		100		<u>53.16%</u>	<u>53.16%</u>	<u>54.00%</u>	<u>54.00%</u>	<u>53.55%</u>	<u>53.55%</u>
				100.00%	100.00%	100.00%	100.00%	100.00%	100.00%
RW1	Generation & Transmission Services - peakload	10				46.00%	46.00%	46.45%	46.45%
		100				<u>54.00%</u>	<u>54.00%</u>	<u>53.55%</u>	<u>53.55%</u>
						100.00%	100.00%	100.00%	100.00%
RW2	Generation & Transmission Services - peakload	10				46.00%	46.00%	46.45%	46.45%
		100				<u>54.00%</u>	<u>54.00%</u>	<u>53.55%</u>	<u>53.55%</u>
						100.00%	100.00%	100.00%	100.00%
SAL	Sales & DSM - Sales	10		45.16%	45.16%	46.31%	46.31%	45.40%	45.40%
		30		0.43%	0.43%	0.46%	0.46%	0.20%	0.20%
		70		8.78%	8.78%	9.08%	9.08%	8.57%	8.57%
		100		<u>45.63%</u>	<u>45.63%</u>	<u>44.15%</u>	<u>44.15%</u>	<u>45.83%</u>	<u>45.83%</u>
				100.00%	100.00%	100.00%	100.00%	100.00%	100.00%
SCC	System Control Center - peakload	10		46.84%	46.84%	46.00%	46.00%	46.45%	46.45%
		100		<u>53.16%</u>	<u>53.16%</u>	<u>54.00%</u>	<u>54.00%</u>	<u>53.55%</u>	<u>53.55%</u>
				100.00%	100.00%	100.00%	100.00%	100.00%	100.00%
SEL	Electric Sales - electric sales	10		36.41%	36.41%	35.96%	35.96%	36.57%	36.57%
		70		6.18%	6.18%	6.27%	6.27%	5.76%	5.76%
		100		<u>57.41%</u>	<u>57.41%</u>	<u>57.77%</u>	<u>57.77%</u>	<u>57.87%</u>	<u>57.87%</u>
				100.00%	100.00%	100.00%	100.00%	100.00%	100.00%
SLE	Sales Electric - CG&E and Subsidiary Companies - electric sales	10		85.49%	85.49%	85.15%	85.15%	86.40%	86.40%
		70		<u>14.51%</u>	<u>14.51%</u>	<u>14.85%</u>	<u>14.85%</u>	<u>13.80%</u>	<u>13.80%</u>
				100.00%	100.00%	100.00%	100.00%	100.00%	100.00%
SLG	Sales Gas - CG&E and Subsidiary Companies - gas sales	10		79.04%	79.04%	79.89%	79.89%	79.58%	79.58%
		30		2.10%	2.10%	1.93%	1.93%	0.99%	0.99%
		70		<u>18.86%</u>	<u>18.86%</u>	<u>18.18%</u>	<u>18.18%</u>	<u>19.43%</u>	<u>19.43%</u>
		100		100.00%	100.00%	100.00%	100.00%	100.00%	100.00%
SLJ	Sales - Joint Gas and Electric - CG&E and Subsidiary Companies - gas & electric sales	10		83.06%	83.06%	82.92%	82.92%	83.81%	83.81%
		30		0.79%	0.79%	0.82%	0.82%	0.38%	0.38%
		70		<u>16.15%</u>	<u>16.15%</u>	<u>16.26%</u>	<u>16.26%</u>	<u>15.81%</u>	<u>15.81%</u>
		100		100.00%	100.00%	100.00%	100.00%	100.00%	100.00%
SMT	Substation Maintenance & Test - transmission construction expenditures	10		48.70%	48.70%	23.86%	23.86%	24.74%	24.74%
		70		1.98%	1.98%	1.15%	1.15%	4.71%	4.71%
		100		<u>49.32%</u>	<u>49.32%</u>	<u>74.99%</u>	<u>74.99%</u>	<u>70.55%</u>	<u>70.55%</u>
				100.00%	100.00%	100.00%	100.00%	100.00%	100.00%
SU5	Electric Survey - electric circuit miles	10		40.02%	40.02%	39.78%	39.78%	39.81%	39.81%
		70		6.88%	6.88%	6.87%	6.87%	6.96%	6.96%
		100		<u>53.10%</u>	<u>53.10%</u>	<u>53.35%</u>	<u>53.35%</u>	<u>53.23%</u>	<u>53.23%</u>
				100.00%	100.00%	100.00%	100.00%	100.00%	100.00%
TDO	T&D Operations East - electric sales	10		36.41%	36.41%	35.96%	35.96%	36.57%	36.57%
		70		6.18%	6.18%	6.27%	6.27%	5.76%	5.76%
		100		<u>57.41%</u>	<u>57.41%</u>	<u>57.77%</u>	<u>57.77%</u>	<u>57.87%</u>	<u>57.87%</u>
				100.00%	100.00%	100.00%	100.00%	100.00%	100.00%
TOW	T&D Operations West - electric sales	10		36.41%	36.41%	35.96%	35.96%	36.57%	36.57%
		70		6.18%	6.18%	6.27%	6.27%	5.76%	5.76%
		100		<u>57.41%</u>	<u>57.41%</u>	<u>57.77%</u>	<u>57.77%</u>	<u>57.87%</u>	<u>57.87%</u>
				100.00%	100.00%	100.00%	100.00%	100.00%	100.00%
TSC	Benefits Consulting - CGE & Subsidiaries - number of employees	10		80.40%	80.40%	85.81%	85.81%	85.52%	85.52%
		30		0.31%	0.31%	0.52%	0.52%	0.57%	0.57%
		70		<u>9.29%</u>	<u>9.29%</u>	<u>13.67%</u>	<u>13.67%</u>	<u>13.91%</u>	<u>13.91%</u>
		100		100.00%	100.00%	100.00%	100.00%	100.00%	100.00%
TTR	Transportation - employees of applic. companies	10		50.53%	50.53%	42.55%	42.55%	41.17%	41.17%
		30		0.18%	0.18%	0.26%	0.26%	0.27%	0.27%
		70		5.19%	5.18%	6.78%	6.78%	6.70%	6.70%
		100		<u>44.10%</u>	<u>44.10%</u>	<u>50.41%</u>	<u>50.41%</u>	<u>51.86%</u>	<u>51.86%</u>
				100.00%	100.00%	100.00%	100.00%	100.00%	100.00%
TTP	Transmission Planning - peak load	10		46.84%	46.84%	46.00%	46.00%	46.45%	46.45%
		100		<u>53.16%</u>	<u>53.16%</u>	<u>54.00%</u>	<u>54.00%</u>	<u>53.55%</u>	<u>53.55%</u>
				100.00%	100.00%	100.00%	100.00%	100.00%	100.00%
TWA	Tax Accounting - CG&E and Subsidiary Companies - wght. avg. sales and constr.	10		83.51%	83.51%	79.41%	79.41%	82.45%	82.45%
		30		0.75%	0.75%	1.09%	1.09%	0.52%	0.52%
		50		0.05%	0.05%	0.00%	0.00%	0.00%	0.00%
		70		15.37%	15.37%	19.10%	19.10%	16.93%	16.93%
		80		<u>0.32%</u>	<u>0.32%</u>	<u>0.40%</u>	<u>0.40%</u>	<u>0.10%</u>	<u>0.10%</u>
		100		100.00%	100.00%	100.00%	100.00%	100.00%	100.00%
TUB	Utilities - utility sales	10		45.16%	45.16%	46.31%	46.31%	45.40%	45.40%
		30		0.43%	0.43%	0.46%	0.46%	0.20%	0.20%

LEA CODE	LEA DESCRIPTION	CORPORATION		2001 Actual		2002 Actual		2003 Budget/Actual	
		CODE	TO LEA CODE	PCTONE	PCTTWO	PCTONE	PCTTWO	PCTONE	PCTTWO
		70		8.78%	8.78%	9.06%	9.06%	8.57%	8.57%
		100		45.63%	45.63%	44.15%	44.15%	45.83%	45.83%
				100.00%	100.00%	100.00%	100.00%	100.00%	100.00%
		10		46.84%	46.84%	46.00%	46.00%	46.45%	46.45%
WPT	Wholesale Power Transmission - peak load	100		53.16%	53.16%	54.00%	54.00%	53.55%	53.55%
				100.00%	100.00%	100.00%	100.00%	100.00%	100.00%

FA CODE	LEA DESCRIPTION	CORPORATION		2002 Actual		2003 Budget/Actual	
		CODE	TO LEA CODE	PCTONE	PCTTWO	PCTONE	PCTTWO
4MH	CG&E Headquarters - Square Footage Occupied	10		67.43%	67.43%	43.82%	43.82%
		100		25.89%	25.89%	44.12%	44.12%
		620		0.78%	0.78%	10.98%	10.98%
		641		4.48%	4.48%	1.08%	1.08%
		643		1.14%	1.14%	0.00%	0.00%
		655		<u>0.28%</u>	<u>0.28%</u>	<u>0.00%</u>	<u>0.00%</u>
				100.00%	100.00%	100.00%	100.00%
ACC	Accounting and Finance - wght. avg. revenues and construction	10				45.19%	45.19%
		100				51.42%	51.42%
		210				0.04%	0.04%
		614				0.02%	0.02%
		615				0.93%	0.93%
		620				0.18%	0.18%
		643				1.06%	1.06%
		644				0.02%	0.02%
		645				0.13%	0.13%
		687				<u>1.01%</u>	<u>1.01%</u>
						100.00%	100.00%
AC3	EMBU General Allocator 3 - allocated between Energy Merchant corps based on wght. avg. revenues and construction	10				45.19%	45.19%
		100				51.42%	51.42%
		210				0.04%	0.04%
		614				0.02%	0.02%
		615				0.93%	0.93%
		620				0.18%	0.18%
		643				1.06%	1.06%
		644				0.02%	0.02%
		645				0.13%	0.13%
		687				<u>1.01%</u>	<u>1.01%</u>
						100.00%	100.00%
IP	Annual Incentive Plan - allocated based on previous year actual incentive dollars	010				37.02%	37.02%
		100				42.28%	42.28%
		617				0.25%	0.25%
		618				0.25%	0.25%
		641				15.30%	15.30%
		643				2.10%	2.10%
		645				1.60%	1.60%
		655				<u>1.20%</u>	<u>1.20%</u>
				100.00%	100.00%		
	Atrium II Floors 5 & 6 - Number of employees using the space	10		42.74%	42.74%	42.74%	42.74%
		100		26.83%	26.83%	26.83%	26.83%
		641		<u>30.43%</u>	<u>30.43%</u>	<u>30.43%</u>	<u>30.43%</u>
				100.00%	100.00%	100.00%	100.00%
	Data Center - CPU seconds	10				45.19%	45.19%
		100				51.42%	51.42%
		210				0.04%	0.04%
		614				0.02%	0.02%
		615				0.93%	0.93%
		620				0.18%	0.18%
		643				1.06%	1.06%
		644				0.02%	0.02%
		645				0.13%	0.13%
		687				<u>1.01%</u>	<u>1.01%</u>
				100.00%	100.00%		

LEA CODE	LEA DESCRIPTION	CORPORATION		2002 Actual		2003 Budget/Actual	
		CODE	TO LEA CODE	PCTONE	PCTTWO	PCTONE	PCTTWO
EME	Energy Merchant Employees - allocated based on EMBU number of employees	10		67.43%	67.43%	44.16%	44.16%
		100		25.89%	25.89%	52.16%	52.16%
		617				0.23%	0.23%
		618				0.23%	0.23%
		620		0.78%	0.78%	0.05%	0.05%
		641		4.48%	4.48%	2.39%	2.39%
		643		1.14%	1.14%	0.46%	0.46%
		645				0.14%	0.14%
		655		<u>0.28%</u>	<u>0.28%</u>	<u>0.18%</u>	<u>0.18%</u>
				100.00%	100.00%	100.00%	100.00%
EXE	Executive - revenues and sales	10				45.19%	45.19%
		100				51.42%	51.42%
		210				0.04%	0.04%
		614				0.02%	0.02%
		615				0.93%	0.93%
		620				0.18%	0.18%
		643				1.06%	1.06%
		644				0.02%	0.02%
		645				0.13%	0.13%
		687				<u>1.01%</u>	<u>1.01%</u>
				100.00%	100.00%		
	Human Resources - employees	10		67.43%	67.43%	44.16%	44.16%
		100		25.89%	25.89%	52.16%	52.16%
		617				0.23%	0.23%
		618				0.23%	0.23%
		620		0.78%	0.78%	0.05%	0.05%
		641		4.48%	4.48%	2.39%	2.39%
		643		1.14%	1.14%	0.46%	0.46%
		645				0.14%	0.14%
		655		<u>0.28%</u>	<u>0.28%</u>	<u>0.18%</u>	<u>0.18%</u>
				100.00%	100.00%	100.00%	100.00%
	Interest Expense - Service Company bills	10				57.65%	57.65%
		100				34.65%	34.65%
		617				0.33%	0.33%
		618				0.30%	0.30%
		620				0.28%	0.28%
		641				5.37%	5.37%
		643				0.87%	0.87%
		645				0.23%	0.23%
		651				0.06%	0.06%
		653				0.02%	0.02%
				<u>0.24%</u>	<u>0.24%</u>		
				100.00%	100.00%		
	Legal - wght. avg. - employees, construction expenditures, customers	10		67.43%	67.43%	44.16%	44.16%
		100		25.89%	25.89%	52.16%	52.16%
		617				0.23%	0.23%
		618				0.23%	0.23%
		620		0.78%	0.78%	0.05%	0.05%
		641		4.48%	4.48%	2.39%	2.39%
		643		1.14%	1.14%	0.46%	0.46%
		645				0.14%	0.14%
		655		<u>0.28%</u>	<u>0.28%</u>	<u>0.18%</u>	<u>0.18%</u>
				100.00%	100.00%	100.00%	100.00%

LEA CODE	LEA DESCRIPTION	CORPORATION		2002 Actual		2003 Budget/Actual		
		CODE	TO LEA CODE	PCTONE	PCTTWO	PCTONE	PCTTWO	
LTP	Long-term Incentive Plan - previous year actual incentive dollars	10				35.39%	35.39%	
		100				48.96%	48.96%	
		613						
		617					0.99%	0.99%
		618					0.99%	0.99%
		626						
		641					10.31%	10.31%
		643					<u>3.36%</u>	<u>3.36%</u>
							100.00%	100.00%
MFR	IT Mainframe Development & Support - CPU seconds	10				45.19%	45.19%	
		100				51.42%	51.42%	
		210				0.04%	0.04%	
		614				0.02%	0.02%	
		615				0.93%	0.93%	
		620				0.18%	0.18%	
		643				1.06%	1.06%	
		644				0.02%	0.02%	
		645				0.13%	0.13%	
		687				<u>1.01%</u>	<u>1.01%</u>	
						100.00%	100.00%	
PCO	PSI Headquarters - square footage occupied	10		67.43%	67.43%	31.10%	31.10%	
		100		25.89%	25.89%	42.16%	42.16%	
		620		0.78%	0.78%	0.00%	0.00%	
		641		4.48%	4.48%	26.74%	26.74%	
		643		1.14%	1.14%	0.00%	0.00%	
		655		<u>0.28%</u>	<u>0.28%</u>	<u>0.00%</u>	<u>0.00%</u>	
				100.00%	100.00%	100.00%	100.00%	

Cinergy Services, Inc.
Square Footage Occupied Allocator

Calculation of CGE Space Lea 4MH
To be Utilized for the Twelve Month Period
October 2002 Through September 2003

Sum of Total Space		Bus Unit			Percentage	BU	Percent 2
Corp	Default Lea	CF	EC	ED			
Blank	Blank		341.37		341.37		
	CGE		477.61		477.61		
Blank Total			818.98		818.98	0.26%	EC 1.82%
CGE	Blank	273.72		22,480.63	22,754.35		
CGE Total		273.72		22,480.63	22,754.35	7.20%	ED 50.52%
CPG	CCT		2,357.37		2,357.37	7.46%	52.34%
	CGE		248.01		248.01		
	CPI		1,321.01		1,321.01		
	CSL		231.52		231.52		
	PSI		272.37		272.37		
	RW2		17,032.78		17,032.78		
CPG Total			21,463.06		21,463.06	6.79%	EC 47.66%
CSC	DEC			5,807.66	5,807.66	1.84%	ED
	4MH			24,895.29	24,895.29		ED
	ACC	21,730.20		2,465.63	24,195.83	8.31%	CF
	CGE			9,088.48	9,088.48	3.55%	ED
	CGE ACC			4,214.94	4,214.94		ED
	CNE			11,230.73	11,230.73	3.55%	ED
	CNG			9,859.77	9,859.77	3.12%	ED
	CTJ			831.51	831.51	0.26%	ED
	DAC			19,236.23	19,236.23	6.09%	ED
	DEV			2,687.14	2,687.14	0.85%	ED
	EDA			16,553.92	16,553.92	5.24%	ED
	ELC			6,272.61	6,272.61	1.98%	ED
	EME		165.69		165.69	0.05%	EC
	ESO			6,664.48	6,664.48	2.11%	ED
	EXE	516.29			516.29	0.16%	EC
	HUR	66,309.63		14,587.41	80,897.04	25.59%	CF
	MAT	3,292.96		1,252.92	4,545.88	1.44%	CF
	MPA	2,971.45		257.24	3,228.69	1.02%	CF
	ONE	232.32		1,779.50	2,011.82	0.64%	ED
	PSI			1,126.59	1,126.59	0.36%	ED
	PUB			6,205.22	6,205.22	1.96%	ED
	RBU			11,604.23	11,604.23	3.67%	ED
	RWG	2,308.38		7,301.13	9,609.51	3.04%	ED
	SAL			4,388.04	4,388.04	1.39%	ED
	SCC			5,157.02	5,157.02	1.63%	ED
	SEL			5,348.73	5,348.73	1.69%	ED
	SLJ			96.92	96.92	0.03%	ED
	SMT			4,105.35	4,105.35	1.30%	ED
	TDW			15,416.43	15,416.43	4.88%	ED
CSC Total		97,361.23	165.69	198,435.12	295,962.04		
Grand Total		97,634.95	22,447.73	220,915.75	340,998.43	100.00%	100.00%
Less 4mh				(24,895.29)			
Less Blank and CGE Corps					-7.46%		
				316,103.14	92.54%		

Cnergy Power Generation Services, LLC
Square Footage Occupied Allocator

Calculation of CGE Space Lea 4MH
To be Utilized for the Twelve Month Period
October 2002 Through September 2003

Sum of Total Space		Bus Unit						
Corp	Default Lea	EC	Grand Total	<u>010</u>	<u>100</u>	<u>620</u>	<u>641</u>	<u>Total</u>
CPG	CCT	2,357.37	2,357.37			2,357.37		2,357.37
	CGE	248.01	248.01	248.01				248.01
	CPI	1,321.01	1,321.01	1,321.01				1,321.01
	CSL	231.52	231.52				231.52	231.52
	PSI	272.37	272.37		272.37			272.37
	RW2	17,032.78	17,032.78	7,835.08	9,197.70	-	-	17,032.78
CPG Total		21,463.06	21,463.06	9,404.10	9,470.07	2,357.37	231.52	21,463.06
Grand Total		21,463.06	21,463.06	43.82%	44.12%	10.98%	1.08%	100.00%

Cinergy Services, Inc.
Number of Employees allocator

Count of ID		BU				Grand Total	ATR Corp. 500 Percent 1	ATR Corp. 500 Percent 2	
Home Corp	Default Lea	EM	IN	RB	SS				
210	CPI	10				10			
	CSL	14				14			
	PSI	1				1			
	RW2	21				21			
210 Total		46				46	12.85%	69.70%	
500	AC1	11				11	3.07%		
	AC3	59				59	16.48%		
	ACC				4	4	1.12%		
	CGR		4			4	1.12%		
	CMP		4			4	1.12%		
	CPI	22				1	23	6.42%	
	CSL	9					9	2.51%	
	EME	13					13	3.63%	
	HUR			3	1		4	1.12%	
	PSI	1					1	0.28%	
	RW2	150			2		152	42.45%	
	RWG					6	6	1.68%	
	SEL				2		2	0.56%	
500 Total		265	8	7	12	292			
650	(blank)	20				20			
650 Total		20				20	5.59%	30.30%	
Grand Total		331	8	7	12	358	100.00%	100.00%	

Clnergy Power Generation Services, LLC
Number of Employees allocator

Count of ID		BU	
Home Corp	Default Lea	EM	Grand Total
210	CPI	10	10
	CSL	14	14
	PSI	1	1
	RW2	21	21
210 Total		46	46
Grand Total		46	46

Corp 010	Corp 100	Corp 641	Total
10	-	-	10
-	-	14	14
-	1	-	1
10	11	-	21
20	12	14	46
42.74%	26.83%	30.43%	100.00%

Cinergy Services, Inc.
Square Footage Occupied Allocator

Calculation of PSI Space Lea PCO
To be Utilized for the Twelve Month Period
October 2002 Through September 2003

Sum of Total Area		BU					Grand Total	Percentage	BU	Percent 2
Corp	LEA	CF	CS	EC	ED	PI				
CPG	50 % RW2 50% CSL			11,061.04			11,061.04			
	Blank			331.98			331.98			
	CSL			1,285.00			1,285.00			
	PSI			1,108.74			1,108.74			
	RW2			9,340.32			9,340.32			
	RWG			2,365.09			2,365.09			
CPG Total				25,492.17			25,492.17	7.22%	EC	39.73%
CSC	DEC				23,616.56		23,616.56	6.69%	ED	
	4MH				317.29		317.29	0.09%	ED	
	AC1			484.65			484.65	0.14%	EC	
	AC3			6,518.40			6,518.40	1.85%	EC	
	ACC	13,795.37			3,393.05	318.16	17,506.58	4.96%	CF	
	CIN	1,103.02					1,103.02	0.31%	CF	
	CNE				808.50		808.50	0.23%	ED	
	CPI			711.09			711.09	0.20%	EC	
	CSL			1,175.94			1,175.94	0.33%	EC	
	CVL					308.93	308.93	0.09%	PI	
	DAC				1,738.94		1,738.94	0.49%	ED	
	EDA				10,789.35		10,789.35	3.06%	ED	
	ELC				1,926.63		1,926.63	0.55%	ED	
	EME			1,721.10			1,721.10	0.49%	EC	
	EXE	23,935.18			168.24		24,103.42	6.83%	CF	
	HUR	12,217.40	1,165.61		8,834.04	23,835.15	46,052.20	13.04%	CF	
	LEG	19,652.82					19,652.82	5.57%	CF	
	MAT	4,805.26					4,805.26	1.36%	CF	
	MPA	176.42					176.42	0.05%	CF	
	ONE				1,764.86		1,764.86	0.50%	ED	
	PCO				14,908.78		14,908.78		ED	
	PSI				57,683.43		57,683.43	16.34%	ED	
	PUB	1,180.22			1,970.82		3,151.04	0.89%	ED	
	RBU				8,480.75		8,480.75	2.40%	ED	
	RW2				13,073.21		13,073.21	3.70%	EC	
	RWG	3,919.25		13,073.21			15,611.28	4.42%	ED	
	SAL				12,644.92		12,644.92	3.58%	ED	
	SEL				6,858.27		6,858.27	1.94%	ED	
	SMT				319.91		319.91	0.09%	ED	
	SOL					663.09	663.09	0.19%	PI	
	TDW				5,112.87		5,112.87	1.45%	ED	
CSC Total		80,784.94	1,165.61	23,684.39	173,029.24	25,125.33	303,789.51			
CSO	CBS					4,061.34	4,061.34	1.15%		6.33%
	CSL			4,095.31			4,095.31	1.16%		6.38%
CSO Total				4,095.31		4,061.34	8,156.65			
PSI	PSI				25,290.45		25,290.45			
PSI Total					25,290.45		25,290.45			
(blank)	Blank			3,255.97		412.30	3,668.27	7.16%		39.41%
	CBS					1,559.22	1,559.22		8.64%	47.56%
(blank) Total				3,255.97		1,971.52	5,227.49	1.48%		8.15%
Grand Total		80,784.94	1,165.61	56,527.84	198,319.69	31,158.19	367,956.27	100.00%		100.00%
Less PCO						(14,908.78)				
Less Blank and PSI company						353,047.49		-8.64%		
								91.36%		

Cinergy Power Generation Services, LLC
Square Footage Occupied allocator

Calculation of PSI Space Lea PCO
To be Utilized for the Twelve Month Period
October 2002 Through September 2003

Sum of Total Area		BU		Corp 010	Corp 100	Corp 641	Total
Corp	LEA	EC	Grand Total				
CPG	50 % RW2 50% CSL	11,061.04	11,061.04	2,544.04	2,986.48	5,530.52	11,061.04
	Blank	331.98	331.98		331.98		331.98
	CSL	1,285.00	1,285.00			1,285.00	1,285.00
	PSI	1,108.74	1,108.74		1,108.74		1,108.74
	RW2	9,340.32	9,340.32	4,296.55	5,043.77		9,340.32
	RWG	2,365.09	2,365.09	1,087.94	1,277.15	-	2,365.09
CPG Total		25,492.17	25,492.17				
Grand Total		25,492.17	25,492.17	7,928.53	10,748.12	6,815.52	25,492.17
				31.10%	42.16%	26.74%	100.00%

**Cinergy Power Generation Services, LLC
Interest Allocator**

Date And Time
7/24/02 11:01 am
Financial Reporting Tool v 3.00.0024

PROCESSID	(All)
LEALLOC	(All)
ACCTPER	(All)
ACCTNO	(All)

Sum of TRANSAMT	
RESPCORP	Total
010	57,640,392.07
100	34,204,419.82
210	(0.00)
613	298,891.35
617	329,816.64
618	299,736.39
620	277,374.96
626	146,791.58
641	5,368,617.03
643	869,654.15
645	233,871.20
651	61,505.79
653	23,381.92
655	243,043.50
771	1,982.55
773	371.15
Grand Total	99,999,850.10

Corp 210

INT LEA	57.65%
	34.20%
	0.00%
	0.30%
	0.33%
	0.30%
	0.28%
	0.15%
	5.37%
	0.87%
	0.23%
	0.06%
	0.02%
	0.24%
	0.00%
	0.00%
	100.00%

Cinergy Power Generation Services, LLC
Revenue Allocator

Corp 210
Calculation of 2003 Revenue Allocators

	Corp 500	=	Corp 210
	<u>AC3</u>		<u>ACC and EXE</u> <u>and AC3</u>
10	45.19%		45.19%
100	51.42%		51.42%
200	0.00%		0.00% <u>_1/</u>
210	0.04%		0.04% <u>_1/</u>
614	0.02%		0.02%
615	0.93%		0.93%
620	0.18%		0.18%
643	1.06%		1.06%
644	0.02%		0.02%
645	0.13%		0.13%
687	<u>1.01%</u>		1.01%
	100.00%		100.00%

_1/ The .04% associated with corp 210 is a valid expense for 210. It should not be borne by the utilities (010 or 100). Therefore it should be left on Corp. 210 rather than charging these costs to the utilities in error.

Cinergy Power Generation Services, LLC
Number of Employees

Corp 210
Calculation of 2003 Employee Allocators

	<u>NonUnion</u>	<u>Union</u>	<u>Total</u>	<u>EME, HUR, LEG</u>						
617 BRO	5	-	5	0.23%						
620 CCT	1	-	1	0.05%						
618 CLD	5	-	5	0.23%						
210 CPG	1	-	1	0.05%						
010 CPI	240	631	871	40.05%						
RW2	183	7	190	8.74%						
641 CSL	52	-	52	2.39%						
645 PHL	3	-	3	0.14%						
100 PSI_1	320	713	1,033	47.48%						
643 STX	10	-	10	0.46%						
655 TUS	4	-	4	0.18%						
	824	1,351	2,175	100.00%						
	<u>010</u>	<u>100</u>	<u>617</u>	<u>618</u>	<u>620</u>	<u>641</u>	<u>643</u>	<u>645</u>	<u>655</u>	<u>Total</u>
	44.16%	52.16%	0.23%	0.23%	0.05%	2.39%	0.46%	0.14%	0.18%	100.00%

Cinergy Power Generation Services, LLC

Corp 210
Calculation of 2003 CPU Seconds Allocators

	Corp 500	=	Corp 210
	<u>AC3</u>		<u>DAC, MFR</u>
10	45.19%		45.19%
100	51.42%		51.42%
200	0.00%		0.00% _{_1/}
210	0.04%		0.04% _{_1/}
614	0.02%		0.02%
615	0.93%		0.93%
620	0.18%		0.18%
643	1.06%		1.06%
644	0.02%		0.02%
645	0.13%		0.13%
687	<u>1.01%</u>		<u>1.01%</u>
	100.00%		100.00%

_{_1/} The .04% associated with corp 210 is a valid expense for 210. It should not be borne by the utilities (010 or 100). Therefore it should be left on Corp. 210 rather than charging these costs to the utilities in error.

Chemerg Services, Inc.
Number of Employees

Code	Code Name	Number of Employees												
		EM		RBSU		ES		Other		Total				
		Union	NonUnion	Union	NonUnion	Union	NonUnion	Union	NonUnion	Union	NonUnion	Union	NonUnion	Total
10	COE	-	-	-	-	-	-	-	-	-	-	-	-	-
30	Lewenewburg	-	-	9	-	-	-	-	-	-	-	-	-	9
70	LLMHP	-	-	208	12	220	-	-	-	-	-	-	-	220
100	PSB	713	2	715	410	985	-	-	-	-	-	-	-	1,774
210	CPBS	538	624	1,462	-	-	-	-	-	-	-	-	-	1,462
620	CCY	-	99	99	-	-	-	-	-	-	-	-	-	99
640	Ch. Sol.	-	32	32	-	-	-	-	-	-	-	-	-	32
640	Ch. Sol. - Leasing	-	12	12	-	-	-	-	-	-	-	-	-	12
843	CSOSP of SE Texas	35	1	36	-	-	-	-	-	-	-	-	-	36
845	Ch. Sol. of PH	-	12	12	-	-	-	-	-	-	-	-	-	12
851	Ch. Sol. - Visitor	-	-	-	-	-	-	-	-	-	-	-	-	-
855	Ch. and Tax	-	17	17	-	-	-	-	-	-	-	-	-	17
		1,418	969	2,387	2,000	594	2,664	7	6	13	35	34,419	1,574	4,993
500	Ch. Services	-	-	-	-	-	-	-	-	-	-	-	-	-
4MH	ACC	-	-	17	6	23	-	-	-	-	-	-	-	23
ACT	ACT	-	15	15	-	-	-	-	-	-	-	-	-	15
COE	COE	-	58	58	-	-	-	-	-	-	-	-	-	58
OSR	OSR	-	-	150	55	205	-	-	-	-	-	-	-	205
CIN	CIN	-	-	-	-	6	-	-	-	-	-	-	-	6
CMP	CMP	-	-	-	-	6	-	-	-	-	-	-	-	6
DMT	DMT	-	21	21	-	-	-	-	-	-	-	-	-	21
ONE	ONE	-	-	80	17	97	-	-	-	-	-	-	-	97
ONG	ONG	-	-	33	30	63	-	-	-	-	-	-	-	63
OPI	OPI	-	27	27	-	-	-	-	-	-	-	-	-	27
CHL	CHL	-	6	6	-	-	-	-	-	-	-	-	-	6
CHN	CHN	-	-	-	-	1	-	-	-	-	-	-	-	1
CTE	CTE	-	-	5	-	5	-	-	-	-	-	-	-	5
CTJ	CTJ	-	-	133	9	151	-	-	-	-	-	-	-	151
CYL	CYL	-	-	4	23	27	-	-	-	-	-	-	-	27
DMAC	DMAC	-	-	20	29	49	-	-	-	-	-	-	-	49
DEC	DEC	-	-	3	3	6	-	-	-	-	-	-	-	6
DEV	DEV	-	-	2	41	43	-	-	-	-	-	-	-	43
EDA	EDA	-	-	4	34	38	-	-	-	-	-	-	-	38
ELC	ELC	-	-	16	153	169	-	-	-	-	-	-	-	169
EME	EMESULTON	-	2	15	-	17	-	-	-	-	-	-	-	17
ENE	ENE	-	-	16	5	21	-	-	-	-	-	-	-	21
EQE	EQE	-	-	3	53	56	-	-	-	-	-	-	-	56
HUR	HUR	-	-	3	5	8	-	-	-	-	-	-	-	8
LEG	LEG	-	-	14	-	14	-	-	-	-	-	-	-	14
MAT	MAT	-	-	-	-	4	-	-	-	-	-	-	-	4
MPPA	MPPA	-	-	-	-	12	-	-	-	-	-	-	-	12
ONE	ONE	-	-	11	5	16	-	-	-	-	-	-	-	16
POO	POO	-	1	140	210	365	-	-	-	-	-	-	-	365
PSB	PSB	-	-	24	20	44	-	-	-	-	-	-	-	44
RBSU	RBSU	-	-	15	16	31	-	-	-	-	-	-	-	31
RBU	RBU	-	151	151	-	-	-	-	-	-	-	-	-	151
RW2	RW2	-	-	5	5	10	-	-	-	-	-	-	-	10
RW3	RW3	-	-	5	5	10	-	-	-	-	-	-	-	10
RW3COMPT	RW3COMPT	-	-	87	47	134	-	-	-	-	-	-	-	134
SAU/TL	SAU/TL	-	-	1	16	17	-	-	-	-	-	-	-	17
SMT	SMT	-	-	4	-	4	-	-	-	-	-	-	-	4
SOL	SOL	-	-	4	4	8	-	-	-	-	-	-	-	8
TRN	TRN	-	-	6	1	7	-	-	-	-	-	-	-	7
ULL	ULL	-	-	6	1	7	-	-	-	-	-	-	-	7
	Total Ch. Serv	4	294	298	857	1,041	1,098	95	488	583	18	726	1,821	2,547
		1,422	1,263	2,685	2,467	1,005	4,282	66	474	640	53	4,145	3,385	7,540
	Less EME 2/	(2)	(13)	(15)	-	(1)	(91)	(92)	-	-	-	-	-	-
	Less RBU 2/	-	-	-	(1)	(91)	(92)	-	-	-	-	-	-	-
	Less HUR 2/	(2)	(15)	(15)	(1)	(51)	(52)	-	-	-	-	(33)	(195)	(228)
	Revised Total	1,420	1,250	2,670	2,466	1,074	4,230	-	-	-	-	4,112	3,200	7,312

2/ The LEAs of EME, RBU and HUR were excluded only from the calculation of their respective percentage allocations. HUR had employees within the Registered Businesses and Shared Services business units and was therefore, left in the calculation of the percentages for these respective LEAs. The HUR, the LEAs of EME and RBU only had employees within each of their respective business units (EM and RBSU), and that these employees were not included in the calculation of the respective allocation percentages. This is a different approach than was taken last year, but the change in method should result in greater accuracy of the final LEA percentages.

Energy Services, Inc.
Number of Employees

Energy Services, Inc.
Number of Employees

Code	Comp Name	Percent One		Percent Two		Percent One		Percent Two		Percent One		Percent Two	
		Union	Non-Union	Union	Non-Union	Reg Bus Unit	Reg Bus Unit	COE & Subs HRC, LLC	Utilities TRN	EM BU	EM BU	EM BU	EM BU
10	COE	18.00%	27.00%	27.00%	27.00%	0.21%	0.95%	85.52%	41.17%	0.00%	0.00%	0.00%	0.00%
30	Lynchburg	0.22%	0.00%	0.18%	0.18%	0.21%	0.95%	0.57%	0.27%	0.00%	0.00%	0.00%	0.00%
70	ULMHP	5.05%	3.01%	6.06%	3.77%	3.20%	5.05%	13.91%	6.70%	0.00%	0.00%	29.79%	29.00%
100	P8I	31.32%	18.67%	30.80%	18.67%	0.00%	0.00%	0.00%	51.80%	0.00%	0.00%	0.00%	0.00%
210	CPGS	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
600	DCT	0.00%	1.94%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	4.11%
641	Ch. 564	0.00%	1.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
642	Ch. 564 - Learning	0.29%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
644	Ch. 564 - Training	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
645	Ch. 564 - ICB Texas	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
646	Ch. 564 - ICB TX	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
651	Ch. 884 - Value	1.74%	0.49%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
655	Ch. 884 Tax	0.41%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
656	Ch. 884 Tux	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
660	Ch. Services	85.16%	68.28%	100.00%	100.00%	100.00%	100.00%	100.00%	100.00%	89.40%	0.00%	89.40%	100.00%
680	4MH	0.41%	0.19%	0.41%	0.19%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
A00	ACC	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
AC1	AC1	0.00%	0.47%	0.00%	0.47%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
AC3	AC3	0.00%	1.81%	0.00%	1.81%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
CGE	CGE	3.65%	1.72%	2.80%	1.72%	4.85%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
CCR	CCR	0.00%	0.16%	0.00%	0.16%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
CHP	CHP	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
CMT	CMT	0.00%	1.00%	0.00%	1.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
ONE	ONE	1.85%	0.53%	1.39%	0.53%	2.28%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
CHG	CHG	0.84%	0.84%	0.84%	0.84%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
CPI	CPI	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
CSL	CSL	0.00%	0.25%	0.00%	0.25%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
CSN	CSN	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
CTE	CTE	0.12%	0.00%	0.12%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
CTO	CTO	0.00%	0.28%	0.00%	0.28%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
CTI	CTI	0.00%	0.12%	0.00%	0.12%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
CVL	CVL	2.23%	0.98%	2.07%	0.98%	3.67%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
DAC	DAC	0.16%	0.75%	0.16%	0.75%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
DEC	DEC	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
DEV	DEV	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
EDA	EDA	0.00%	1.28%	0.00%	1.28%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
ELC	ELC	0.10%	1.08%	0.00%	1.08%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
EME	EME	0.00%	0.41%	0.00%	0.41%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
ESORSE/ITDW	ESORSE/ITDW	0.39%	4.79%	2.31%	4.79%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
HR_2/	HR_2/	0.12%	1.44%	0.70%	1.44%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
LEG_2/	LEG_2/	0.00%	1.01%	0.00%	1.01%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
MAT	MAT	0.07%	1.00%	0.00%	1.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
MFA	MFA	0.10%	0.25%	0.00%	0.25%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
ONE	ONE	0.00%	0.38%	0.16%	0.38%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
POD	POD	0.27%	0.16%	0.22%	0.16%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
PR	PR	3.80%	1.18%	3.01%	1.18%	3.69%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
PUB	PUB	0.68%	0.00%	0.00%	0.00%	1.23%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
RACS/LJ	RACS/LJ	0.39%	0.50%	0.45%	0.50%	0.73%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
RU	RU	0.02%	0.97%	0.44%	0.97%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
RWG/COMPT	RWG/COMPT	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
SALMATL	SALMATL	0.77%	1.51%	2.00%	1.51%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
SMT	SMT	0.02%	0.00%	0.00%	0.00%	2.26%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
SOL	SOL	0.00%	0.19%	0.00%	0.19%	1.89%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
TRN	TRN	0.10%	0.19%	0.11%	0.19%	0.46%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
ULH	ULH	0.15%	0.03%	0.10%	0.03%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
Total Ch Salary	Total Ch Salary	16.84%	50.85%	31.72%	50.85%	89.38%	100.00%	100.00%	100.00%	89.40%	0.00%	89.40%	100.00%
Less EME_2/	Less EME_2/	100.00%	100.00%	100.00%	100.00%	100.00%	100.00%	100.00%	100.00%	100.00%	100.00%	100.00%	100.00%
Less HR_2/	Less HR_2/	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
Less HR_2/	Less HR_2/	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
Revised Total	Revised Total	16.84%	50.85%	31.72%	50.85%	89.38%	100.00%	100.00%	100.00%	89.40%	0.00%	89.40%	100.00%

Cinergy Services, Inc.
Circuit Mile Allocator

	Circuit	DEM / SU5	CGE &	ECM
	<u>Miles</u>	<u>% of Total</u>	<u>Subs</u>	<u>% of Total</u>
CGE	15,489	39.81%	15,489	85.12%
ULH	2,708	6.96%	2,708	14.88%
PSI	20,707	53.23%		
	<hr/>	<hr/>	<hr/>	<hr/>
	38,904	100.00%	18,197	100.00%

Cinergy Services, Inc.
 CPU Seconds Allocator

Code	Code Desc	Total
B	Internal to Sys	17,522,942.11
C	CSS	10,344,286.33
D	CGE	2,915,949.52
E	BDMS	117,550.21
F	MMD	18,395.48
G	CIS	1,346,786.24
H	PSI	1,778,371.78
I	Shareholder Sys	58,034.72

Passport	Passport	CSS	CGE	BDMS	MMD	CIS	PSI	Shareholder Sys	Total	MFR, DAC Percent One %	MFR, DAC Percent Two %
10	4,249,362.66	8,497,831.22	2,915,949.52	47,707.87	8,684.51			26,748.20	15,746,297.98	59.30%	60.08%
30	2,993.23	51,721.43		117.55				188.30	55,000.51	0.21%	0.21%
70	400,094.49	1,794,733.68		3,843.89	1,973.84			5,495.89	2,206,141.79	8.31%	8.42%
100	4,779,183.61			50,934.59	7,737.13	1,346,786.24	1,778,371.78	25,622.33	7,988,635.59	30.08%	30.47%
210	83,810.32			23.51					83,833.83	0.32%	0.32%
400	997.74			3,291.41					4,289.15	0.02%	0.02%
500	341,227.71								341,227.71	1.28%	ACC
600	81,814.84								81,814.84	0.31%	0.31%
770	1,995.48								1,995.48	0.01%	0.01%
800	2,993.23			8,299.03					11,292.26	0.04%	0.04%
50				23.51					23.51	0.00%	0.00%
90				23.51					23.51	0.00%	0.00%
200										0.00%	0.00%
614				11.76					11.76	0.00%	0.00%
615				599.51					599.51	0.00%	0.00%
620				117.55					117.55	0.00%	0.00%
626				82.29					82.29	0.00%	0.00%
651 (Incl 751)				916.89					916.89	0.00%	0.00%
687				646.53					646.53	0.00%	0.00%
773				141.06					141.06	0.00%	0.00%
Internal to System	44,079,735.18 (17,522,942.11)	10,344,286.33	2,915,949.52	117,550.21	18,395.48	1,346,786.24	1,778,371.78	58,034.72	26,556,793.06	100.00%	100.00%

Forced Rounding

Energy Services, Inc.
Interim Allocator
INT

Based on July 2001 - June 2002 Service Company Bill Information

	JULY	AUGUST	SEPTEMBER	OCTOBER	NOVEMBER	DECEMBER	JANUARY	FEBRUARY	MARCH	APRIL	MAY	JUNE	TOTAL	INT. BALANCE
10 CINCINNATI GAS & ELECTRIC CO.	\$ 15,033,144.23	\$ 18,947,825.63	\$ 15,854,711.26	\$ 17,576,636.96	\$ 17,546,541.72	\$ 24,260,655.36	\$ 17,553,867.79	\$ 5,150,054.51	\$ 17,134,796.74	\$ 14,209,223.91	\$ 13,211,074.11	\$ 19,466,811.69	\$ 106,500,062.93	41.78%
30 LAWRENCEBURG GAS CO.	59,866.58	68,321.62	51,440.23	66,760.81	76,619.20	94,770.26	77,545.59	43,971.18	66,547.06	57,867.45	55,842.14	67,078.83	777,759.14	0.76%
60 ECO TRANSMISSION CO.	976.77	2,992.53	1,624.57	1,319.22	1,291.24	1,650.03	(10.33)	1,811.38	3,109.31	1,593.00	(51.87)	2,509.83	15,894.44	0.00%
60 MIDAM POWER CORP.	0.00	0.00	0.00	49.86	0.00	0.00	0.00	294.74	233.79	1,593.00	1,581.25	176.58	1,012.33	0.00%
40 WEST HARRISON GAS & ELECTRIC CO.	1,801,283.83	2,102,763.32	1,539,662.41	2,062,827.97	2,014,943.36	2,888,299.54	2,313,510.19	1,927,752.76	2,110,526.97	1,597,140.24	1,460,890.30	2,173,206.30	23,440,058.36	5.05%
90 TBI - STATE IMPROVEMENT CO.	10,922.20	13,017.67	10,134.80	12,573.85	11,694.36	15,407.87	8,174.79	7,883.44	8,389.06	7,423.64	9,317.98	9,223.31	131,183.77	0.15%
100 PSI ENERGY, INC.	14,594,007.74	18,204,583.28	14,667,398.32	16,978,434.42	17,403,152.73	20,256,234.66	15,949,261.83	12,851,711.29	17,646,724.15	13,590,780.81	16,372,168.39	19,377,547.29	197,510,348.81	41.57%
200 ENERGY WHOLESALE ENERGY INC.	-	-	18,643.88	50,999.12	1,131.68	1,031.10	3,986,236.26	(857,457.24)	10,888.25	6,674.68	8,666.95	8,403.11	317,769.44	0.05%
210 ENERGY POWER GENERATION SERVICES, LLC	-	-	-	0.00	0.00	300.00	0.00	0.00	3,921,155.39	932,802.31	239,290.31	1,892,776.06	200.00	1.00%
210 CP ALLOWANCE MANAGEMENT LLC	(271,600.82)	240,725.90	250,726.61	173,725.89	163,416.28	140,312.41	127,546.67	99,079.66	97,811.67	132,476.59	131,124.23	106,464.87	1,413,713.96	0.30%
740 ENERGY GLOBAL POWER, INC.	34,674.46	28,811.56	36,807.28	40,767.84	35,681.78	53,572.45	33,375.49	24,149.14	1,010.14	1,986.44	3,039.58	3,522.93	30,019.19	0.01%
400 ENERGY GLOBAL RESOURCES	226,819.36	181,524.06	215,653.15	196,713.44	182,355.43	236,518.28	152,533.47	100,830.25	308,891.86	193,651.05	183,657.24	146,379.24	1,868,542.10	0.40%
600 ENERGY INVESTMENTS, INC.	9,994.03	34,730.09	20,749.16	16,644.85	32,207.53	(379,401.20)	6,987.84	3,240.29	4,523.16	31,940.01	4,523.16	2,824.49	174,393.24	0.01%
613 CINCIPAI MADISON, LLC	-	-	-	13,344.25	24,111.71	19,173.35	19,875.14	1,700.23	424.46	1,669.12	1,431.26	531.32	67,326.27	0.01%
615 ENERGY MARKETING & TRADING	38,729.65	296,419.87	262,088.87	242,382.58	242,382.58	202,528.62	1,432,472.14	1,940,419.21	1,940,419.21	2,123,746.34	1,512,275.29	1,572,513.29	11,251,856.30	2.38%
617 BROWNPOWELL LLC	15,678.29	3,825.54	3,922.32	3,620.99	3,620.99	3,620.99	809.06	430.23	270.26	1,493.71	461.40	802.24	40,888.23	0.01%
618 CALIBORNIA LLC	4,599.52	4,617.75	3,447.04	5,312.33	2,888.03	5,095.08	891.22	630.51	269.98	1,773.20	769.78	631.84	29,550.90	0.01%
99523130 ENERGY CAPITAL & TRADING, INC.	0.00	0.00	983,044.32	1,137,049.42	994,700.52	1,251,140.51	1,115,619.85	606,478.14	1,347,782.97	934,341.93	1,006,189.52	1,000,114.17	12,677,364.72	2.68%
620 CHECO VIII LLC	164,707.41	84,425.28	102,801.70	65,420.27	10,740.26	41,491.15	657.72	487.26	750.71	1,896.77	463.31	94.41	481,647.97	0.10%
626 CHECO V LLC	27,603.11	30,651.65	34,777.49	42,299.29	36,167.69	26,924.71	19,354.87	12,444.49	8,579.07	2,509.10	381.96	(56.38)	228,989.26	0.05%
630 ENERGY TECHNOLOGY, INC.	766,101.28	655,463.36	696,326.59	775,145.29	629,281.69	645,939.28	408,604.35	418,671.08	190,334.56	171,398.23	190,109.06	299,620.39	5,841,206.51	1.26%
641 ENERGY SOLUTIONS, INC.	17,189.41	13,731.54	26,933.44	30,443.57	33,766.07	26,457.80	27,522.84	(7,886.90)	20,295.13	8,598.29	2,213.76	10,060.01	60,819.63	0.10%
642 CSP of Southeast Texas LLC	9,928.72	22,471.61	22,471.61	42,446.12	31,222.42	34,369.21	17,279.00	5,572.03	22,628.80	2,965.99	5,406.40	11,862.07	197,683.32	0.04%
645 Che Se of Lubbock Texas LLC	44,615.01	42,170.24	57,381.43	59,823.83	39,823.83	39,704.84	18,030.51	172,588.28	171,157.63	11,710.37	51,96.82	8,543.14	207,353.01	0.04%
651 VESTAR	16,278.91	23,945.91	24,063.24	31,417.14	31,417.14	35,177.25	92,017.34	4,882.21	80,037.97	43,898.34	28,478.08	49,067.04	3,530,496.04	0.75%
652 ENERGY EPICOM LLC	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	467,356.80	0.00%
653 ENERGY EPICOM COLLIERE PARK, LLC	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00%
655 ENERGY SOLUTIONS OF TUSCULA	31,279.63	32,563.64	24,539.55	30,275.99	30,774.87	23,609.44	49,121.19	(9,090.96)	24,132.72	12,623.63	4,116.73	13,626.08	275,676.51	0.00%
660 ENERGY UK, INC.	(746.03)	(235.11)	(174.76)	(163.56)	(134.41)	64.49	(44.49)	(10.10)	(10.41)	(6.94)	(8.24)	(6.45)	(1,078.73)	0.00%
670 ENERGY TELECOMMUNICATIONS HOLDING CO	2,770.26	5,522.24	2,484.88	3,060.27	2,625.53	3,776.59	1,428.39	(714.65)	190.06	(13.46)	79.87	125.23	21,439.81	0.00%
700 ENERGY CENTRUS, INC.	146.41	107.29	107.29	86.75	177.62	22.06	0.00	(6.51)	599.88	0.00	599.88	(73.90)	1,700.27	0.00%
710 ENERGY CENTRUS	44.41	65.78	65.78	86.75	86.75	147.54	(41.34)	(46.29)	(41.81)	(27.69)	(32.95)	(73.90)	113.69	0.00%
720 ENERGY CENTRUS COMMUNICATIONS	102.90	112.70	50.86	142.34	142.34	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00%
771 ENERGY VENTURES LLC	154,714.46	105,577.94	115,235.46	110,234.18	269,515.80	(411,748.03)	86,633.75	196,270.81	98,955.69	86,300.61	61,340.13	85,683.19	969,411.02	0.00%
773 ENERGY ONE, INC.	61,935.94	70,683.39	85,832.01	144,321.40	88,263.24	48,853.59	55,999.97	110,027.52	269,220.94	170,141.36	134,572.86	112,203.99	1,311,585.20	0.23%
800 ENERGY CORP.	431,344.46	876,884.10	429,890.15	491,733.88	445,933.98	674,110.21	292,173.06	218,128.75	368,578.25	292,554.44	483,409.71	376,842.12	5,482,400.31	1.15%
TOTAL	\$ 35,517,465.86	\$ 43,469,434.22	\$ 35,789,832.82	\$ 40,827,462.60	\$ 40,607,933.44	\$ 50,846,606.11	\$ 43,047,770.89	\$ 22,651,993.19	\$ 43,393,370.82	\$ 34,682,660.95	\$ 35,393,847.28	\$ 46,193,708.76	\$ 472,428,093.24	100.00%
621 CINCINNATI CO. LLC	12,660.89	11,405.60	24,625.44	(412.32)	3,359.25	3,591.41	3,393.98	569.13	(1,187.60)	3,648.67	3,187.40	4,131.58	55,496.54	0.01%
623 ENERGY EPICOM LLC	65,682.22	69,478.83	53,017.98	51,560.35	49,637.03	45,071.32	37,102.41	32,811.53	37,098.20	44,246.16	44,246.16	41,115.90	604,279.41	0.00%
625 ENERGY EPICOM COLLIERE PARK, LLC	52,221.20	41,583.77	31,201.16	50,624.12	45,151.71	33,728.88	23,170.62	31,224.59	32,469.84	16,153.81	20,860.36	46,346.59	473,486,321.58	100.00%
TOTAL	\$ 35,543,020.77	\$ 43,571,880.77	\$ 35,801,038.40	\$ 40,877,254.76	\$ 40,723,923.43	\$ 50,930,039.73	\$ 43,109,137.95	\$ 22,716,596.68	\$ 43,492,298.95	\$ 34,735,914.98	\$ 35,460,934.10	\$ 46,346,591.50	\$ 473,486,321.58	100.00%

¹/ These corps are either closed or are in the process of being closed in 2002. Therefore they have been removed from the calculation.

²/ Corp 625 is closed. The activity in corp 625 would split 81.7% to corp 613 and 18.3% to corp 626. Due to immateriality, for purposes of this analysis all of the percent associated with corp 625 should be added together with corp 613 and converted as corp 613 for the allocator.

Cinergy Services, Inc.
Peak Load Allocator

Determined as the average of the 12 monthly peaks
For the 12 Months Ended June 2002

	<u>PSI</u>	<u>CGE</u>	<u>Total</u>
Jul-01	5,702	5,036	10,738
Aug-01	5,715	5,094	10,809
Sep-01	5,086	4,501	9,587
Oct-01	3,796	3,256	7,052
Nov-01	4,030	3,456	7,486
Dec-01	4,176	3,612	7,788
Jan-02	4,501	3,739	8,240
Feb-02	4,531	3,825	8,356
Mar-02	4,705	3,895	8,600
Apr-02	4,400	3,838	8,238
May-02	4,754	4,242	8,996
Jun-02	5,444	4,809	10,253
	56,840	49,303	106,143
Lea's CTP, RWG, SCC, TRP, WPT, RW1, RW2	53.55%	46.45%	100.00%

Cihermy Services, Inc.
Number of Customers Allocation Ratios

Corp	Description	31-May-02 Avg # of Customers	% of Total	PUB	CGE Elec Consol CTE	CGE Gas Consol CTG/GTR	CGE Total Consol CTJ	CGE & ULHP DEV
10	CGE Electric	652,638	33.27%		652,638		652,638	53.29%
10	CGE Gas	358,529	18.28%	51.54%		358,529	358,529	29.27%
30	Lawrenceburg Gas	6,187	0.32%	0.32%		6,187	6,187	0.50%
70	ULH&P Electric	126,797	6.46%		126,797		126,797	10.35%
70	ULH&P Gas	86,765	4.42%	10.89%		86,765	86,765	7.08%
100	PSI	730,749	37.25%	37.25%				
		1,961,665	100.00%	100.00%	779,435	451,481	1,230,916	100.00%

Corp	Description	31-May-02 Avg # of Customers	Electric ELC	CGE & PSI MVT	31-May-02 Avg # of Customers	MKIS System Allocator MKI
10	CGE Electric	652,638	43.22%	652,638	652,638	32.13%
70	ULH&P Electric	126,797	8.40%		358,529	17.65%
100	PSI	730,749	48.39%	730,749	6,187	0.30%
		1,510,184	100.01%	1,383,387	126,797	6.24%
					86,765	4.27%
					730,749	35.97%
					69,808	3.44%
					2,031,473	100.00%

Cinergy Services, Inc.
Sales Allocators

CGE	May-01	Dec-01	May-02	12 Mo End May-02	UTL, SAL Percent of Total	SEL, ESC, GSR TDO, TDW Percent of Electric	SLG, GBU Percent of Gas	SLE CGE & Subs Elec	SLJ, RAC CGE & Subs Elec & Gas
Sales - Elec	33,464,362,584	83,122,693,151	31,322,339,310	80,980,669,877					
Less Interco	2,938,568,294	6,913,320,863	2,813,298,607	6,788,051,176					
Less Non-sys Mkt Based Firm	-	-	-	-					
Less Non-sys Other Util	21,817,297,000	53,787,395,000	19,360,414,000	51,330,512,000					
Less Non-sys Inter Co	4,189,000	90,475,000	29,079,000	115,365,000					
Total CGE - Electric	8,704,308,290	22,331,502,288	9,119,547,703	22,746,741,701		36.57%			86.40%
Sales - Gas	28,320,566,000	46,408,383,000	24,158,156,000						
x b/f conversion	0.303048	0.303048	0.303048						
Total CGE Gas	8,582,490,885	14,083,967,651	7,321,080,859	12,802,557,625			79.58%		
Total CGE Elec + Gas	17,286,799,175	36,395,469,939	16,440,628,562	35,549,299,326	45.40%				83.81%
ULH									
Sales - Electric	1,577,584,880	3,734,876,869	1,424,598,879	3,581,890,668					
Sales - Gas	6,154,534,000	9,981,197,000	6,487,813,000						
x b/f conversion	0.303048	0.303048	0.303048						
Total ULH Gas	1,865,119,220	3,024,781,788	1,966,118,754	3,125,781,322				13.60%	
Total ULH Elec + Gas	3,442,704,100	6,759,658,657	3,390,717,633	6,707,671,990	8.57%				15.81%
PSI									
Sales - Elec PSI	36,866,131,415	92,802,727,546	27,398,764,784	83,335,360,915					
Sales - Elec West Harrison	-	-	-	-					
Less Interco	1,235,437,000	3,683,982,000	841,033,000	3,269,578,000					
Less Non-sys Mkt Based Firm	-	-	-	-					
Less Non-sys Other Util	21,686,399,000	53,646,321,000	12,227,688,000	44,187,610,000					
Less Non-sys Inter Co	-	-	-	-					
Total PSI - Electric	13,944,295,415	35,482,424,546	14,330,043,784	35,878,172,915					
Lawrenceburg Gas									
Sales - Gas	707,934,000	823,569,000	411,131,000						
x b/f conversion	0.303048	0.303048	0.303048						
Total ULH Gas	214,537,983	249,580,938	124,592,427	159,635,382	0.20%		0.99%		0.38%
Total Sales	34,888,336,873	78,897,134,080	34,285,982,206	78,294,779,613					
Total Electric Sales	24,226,188,585	61,558,803,703	24,874,190,166	62,206,805,284					
Total Gas Sales	10,662,148,088	17,338,330,377	9,411,792,040	16,087,974,329	100.00%		100.00%		100.00%
Total CGE, ULH, Law Elec	10,281,893,170	26,066,379,157	10,544,146,382	26,328,632,369					
Total CGE, ULH, Law	20,944,041,258	43,404,709,534	19,955,938,422	42,416,606,698					

Cinergy Services, Inc.
Construction Expenditures Allocators

Construction Expenditures
2003 Budget

	Gas & Elec		CNG		CNE		CNJ	
			Gas		CGE & Subs Elec		CGE & Subs	
10 CG&E	306,784,308.29	42.57%	72,945,077.82	75.26%	233,839,230.47	94.40%	306,784,308.29	88.84%
30 LG Co.	1,602,000.13	0.22%	1,602,000.13	1.65%			1,602,000.13	0.46%
70 ULH&P	36,261,330.17	5.03%	22,378,235.56	23.09%	13,883,094.61	5.60%	36,261,330.17	10.50%
80 WHG&E	-	0.00%						
90 TriState	695,250.00	0.10%					695,250.00	0.200%
100 PSI	368,067,055.43	51.08%						
200 Cin Wholesale Energy	945.22	0.00%						
340	-	0.00%						
400 Cin Global Resources	-	0.00%						
613 Madison	61,448.40	0.01%						
614 Canada	6,931.54	0.00%						
615 Cin Marketing & Trading	4,455,464.13	0.62%						
617 Brownsville	7,689.68	0.00%						
618 Caledonia	4,692.66	0.00%						
620 CCT	6,028.55	0.00%						
626 Cadiz	2,650,255.41	0.37%						
630 Cinergy Technology	-	0.00%						
641 Cinergy Solutions	3,550.08	0.00%						
642 Lansing Grand River	463.44	0.00%						
643 CSGP of SE Texas	6,300.65	0.00%						
645	1,053.46	0.00%						
650 Cinergy Sol Holding Co	-	0.00%						
651 Vestar (incl 751)	0.00	0.00%						
652 Cinergy Epcor	-	0.00%						
653 Cin Epcor College Park	-	0.00%						
655 Cin Sol of Tuscola	810.24	0.00%						
670 Cin Tele Hold Co	-	0.00%						
771 Cinergy Ventures LLC	-	0.00%						
800 Cinergy Corp	-	0.00%						
	<u>720,615,577.48</u>	<u>100.00%</u>	<u>96,925,313.51</u>	<u>100.00%</u>	<u>247,722,325.08</u>	<u>100.00%</u>	<u>345,342,888.59</u>	<u>100.00%</u>

Electric Production - PEC

10 CG&E	184,891,684.91	39.33%
090	-	0.00%
200	945.22	0.00%
613	61,448.40	0.01%
614	6,931.54	0.00%
615	4,455,464.13	1.04%
617	7,689.68	0.00%
618	4,692.66	0.00%
620	6,028.55	0.00%
626	2,650,255.41	0.62%
641	3,550.08	0.00%
642	463.44	0.00%
643	6,300.65	0.00%
645	1,053.46	0.00%
655	810.24	0.00%
800	-	0.00%
100 PSI	<u>254,331,661.25</u>	<u>60.67%</u>
	<u>426,428,879.82</u>	<u>100.00%</u>

39.33% Since very minor amounts are allocated to corps other than 010, and 100. We added the amounts for corp 010 and 100 so they are the only ones that will be built into LEA PEC. This is justified by the very low usage of PEC.

60.67%
100.00%

Tie Out to ABB Total:
Sum of figures to the left 719,920,327.48
Immaterial 820/822
Tri State 695,250.00
720,615,577.48
ABB Total 720,615,577.48

Electric Transmission ECT, SMT

10 CG&E	8,133,941.83	24.74%
70 ULH&P	1,548,797.10	4.71%
100 PSI	<u>23,200,359.62</u>	<u>70.55%</u>
	<u>32,883,098.45</u>	<u>100.00%</u>

Amts. Reduced for plants we jointly share

Electric Distribution DEC

10 CG&E	60,813,603.73	37.15%
70 ULH&P	12,334,297.51	7.54%
100 PSI	<u>90,535,134.66</u>	<u>55.31%</u>
	<u>163,683,035.90</u>	<u>100.00%</u>

(ED uses this for regulated business work orders. Therefore, we do not want Tri State or 800 in this LEA since it is for regulated work only)

Gas Construction CNG

10 CGE	72,945,077.82	75.26%
30 LG	1,602,000.13	1.65%
70 ULH&P	<u>22,378,235.56</u>	<u>23.09%</u>
	<u>96,925,313.51</u>	<u>100.00%</u>

(See electric distribution comment above)

Cinergy Services, Inc.
Revenue and Construction Allocator

Corp	Description	Revenues 12 Months Ended September 30, 2002	% of Revenues	Weighting	%	2003 Budget Const Expend	Weighting	%	Total	AC1	AC2	AC3
10	CGE	661,388,428.15	15.22%	80.00%	12.22%	141,892,623	20.00%	3.94%	16.16%	46.69%	46.24%	45.19%
10	CGE EMBU	1,085,978,854.00	25.10%	80.00%	22.88%	184,891,665	20.00%	4.58%	24.68%			
30	Lawrenceburg	10,178,658.80	0.24%	80.00%	0.19%	1,602,000	20.00%	0.04%	0.23%			
50	KO Trans	1,282,878.51	0.03%	80.00%	0.02%	-	20.00%	0.00%	0.02%			
70	ULH&P	301,652,348.01	6.97%	80.00%	5.58%	36,261,330	20.00%	1.01%	6.59%			
90	Tri State	453,705,501.43	10.48%	80.00%	8.38%	695,250	20.00%	0.10%	11.54%			
100	PSI	1,136,977,674.00	26.28%	80.00%	21.02%	113,735,484	20.00%	3.16%	28.08%	53.12%	52.61%	51.42%
100	PSI EMBU	1,407,138.74	0.03%	80.00%	0.02%	945	20.00%	0.00%	0.02%			0.00%
200	Cinergy Wholesale Energy	151,450,124.43	3.50%	80.00%	2.80%	-	20.00%	0.00%	2.80%			0.04%
400	Cin Power Generation Serv LLC	-	-	-	-	-	-	-	-	-	-	-
613	Madison	459,401.31	0.01%	80.00%	0.01%	61,448	20.00%	0.00%	0.01%			0.02%
614	Cinergy Canada	21,048,555.46	0.49%	80.00%	0.39%	6,932	20.00%	0.00%	0.01%			0.93%
615	Cinergy Marketing & Trading	-	0.00%	80.00%	0.00%	4,455,464	20.00%	0.12%	0.51%		0.96%	0.00%
617	Brownsville	-	0.00%	80.00%	0.00%	7,690	20.00%	0.00%	0.00%			0.00%
618	Caledonia	-	0.00%	80.00%	0.00%	4,893	20.00%	0.00%	0.00%			0.00%
620	Cin Cap & Trad (incl 621)	5,696,451.76	0.13%	80.00%	0.10%	6,029	20.00%	0.00%	0.10%	0.19%	0.19%	0.18%
628	Cadiz	76,752.94	0.00%	80.00%	0.00%	2,650,255	20.00%	0.07%	0.07%			
630	Cinergy Technology	-	0.00%	80.00%	0.00%	-	20.00%	0.00%	0.00%			0.00%
641	Cinergy Solutions, inc.	-	0.00%	80.00%	0.00%	3,550	20.00%	0.00%	0.00%			0.00%
642	Lansing Grand River	-	0.00%	80.00%	0.00%	463	20.00%	0.00%	0.00%			0.00%
643	CSGP Of Southeast Texas	31,074,911.78	0.72%	80.00%	0.58%	6,301	20.00%	0.00%	0.58%			1.06%
644	Cin Gasco Solutions, LLC	383,836.00	0.01%	80.00%	0.01%	-	20.00%	0.00%	0.01%			0.02%
645	Cin Solutions of Phil	3,864,993.95	0.09%	80.00%	0.07%	1,053	20.00%	0.00%	0.07%			0.13%
650	Cin Sol Hold Co, Inc.	60,370.42	0.00%	80.00%	0.00%	-	20.00%	0.00%	0.00%			0.00%
651	Vestar (incl corp 651 and 751)	42,281,443.67	0.98%	80.00%	0.78%	-	20.00%	0.00%	0.78%			0.00%
655	Cinergy Solutions of Tuscola	29,697,129.23	0.69%	80.00%	0.55%	810	20.00%	0.00%	0.55%			1.01%
687	Oak Mountain Products, LLC	-	0.00%	80.00%	0.00%	-	20.00%	0.00%	0.00%			0.00%
771	Cinergy Ventures, LLC	6,657,204.41	0.15%	80.00%	0.12%	-	20.00%	0.00%	0.12%			0.00%
773	Cinergy One	381,873,615.68	8.82%	80.00%	7.06%	-	20.00%	0.00%	7.06%			0.00%
800	Cinergy Corp _1/	4,327,192,272.68	100.00%	80.00%	80.00%	720,615,577	100.00%	20.00%	100.00%	100.00%	100.00%	100.00%

_1/ Corp 800 has no revenues, as a result of an SEC audit net income is used as a proxy

Corp 800 Net Income YTD 12/01	442,278,736.00
Less Net Income YTD 9/01	(331,684,507.84)
Add Net Income YTD 9/02	271,279,387.52
	<u>381,873,615.68</u>

Corp	Description	Revenues		% of Revenues W/ Util Weighted On Sales	% of Sales	Weighting	%	Est Constr Expend 2003 Budget	ACC	EDA	MPA	PLC	TXC
		12 Months Ended September 30, 2002	September 30, 2002										
10	CGE EMBU	661,388,428.15	15.28%	45.40%	80.00%	11.98%	141,892,623	15.92%	46.09%	18.24%	0.11%	0.52%	0.52%
30	Lawncoburg	10,176,658.80	0.24%	0.20%	80.00%	20.08%	164,891,665	24.66%	0.29%	28.25%	0.11%	0.52%	0.52%
50	KO Trans	1,282,878.51	0.03%	0.03%	80.00%	0.06%	1,602,000	0.10%	0.29%	0.11%	0.11%	0.52%	0.52%
70	ULH&P	301,652,348.01	6.97%	8.57%	80.00%	2.26%	36,281,330	3.27%	9.47%	3.75%	0.02%	16.93%	16.93%
90	Tri State	453,705,501.43	10.48%	45.83%	80.00%	12.09%	695,290	0.02%	44.15%	17.47%	0.02%	0.10%	0.10%
100	PSI EMBU		28.28%		80.00%	21.02%	254,331,561	28.08%					
200	Chenry Wholesale Energy		0.00%		80.00%	0.00%	945	0.00%					
210	Cin Power Generation Serv LLC	1,407,138.74	0.03%	0.03%	80.00%	0.02%	-	0.02%					
400	Cin Global Resources	151,450,124.43	3.50%	0.00%	80.00%	2.80%	-	0.00%					
613	Madison		0.00%	0.00%	80.00%	0.00%	61,448	0.00%					
614	Chenry Canada	459,401.31	0.01%	0.01%	80.00%	0.01%	6,932	0.01%					
615	Chenry Marketing & Trading	21,046,555.46	0.49%	0.00%	80.00%	0.39%	4,455,464	0.05%					
617	Brownsville		0.00%	0.00%	80.00%	0.00%	7,890	0.00%					
618	Caladonia		0.00%	0.00%	80.00%	0.00%	4,653	0.00%					
620	Cin Cap & Trad (Incl 621)	5,696,451.76	0.13%	0.00%	80.00%	0.10%	8,029	0.00%					
626	Cadiz		0.00%	0.00%	80.00%	0.00%	2,650,255	0.07%					
630	Chenry Technology	76,752.94	0.00%	0.00%	80.00%	0.00%	-	0.00%					
641	Chenry Solutions, Inc.		0.00%	0.00%	80.00%	0.00%	3,550	0.00%					
642	Lansing Grand River	31,074,911.78	0.72%	0.00%	80.00%	0.00%	463	0.00%					
643	CSPG Of Southeast Texas	383,836.00	0.01%	0.00%	80.00%	0.58%	6,301	0.00%					
644	Cin Gasco Solutions, LLC	3,864,993.85	0.09%	0.00%	80.00%	0.01%	-	0.00%					
646	Cin Sol Hold Co, Inc.	60,370.42	0.00%	0.00%	80.00%	0.07%	1,053	0.00%					
650	Cin Sol Hold Co, Inc.	42,281,443.67	0.96%	0.00%	80.00%	0.00%	0	0.00%					
651	Vestlar (Incl corp 651 and 751)	29,697,129.23	0.69%	0.00%	80.00%	0.78%	810	0.00%					
655	Chenry Solutions of Tuscola		0.00%	0.00%	80.00%	0.00%	-	0.00%					
667	Oak Mountain Products, LLC		0.00%	0.00%	80.00%	0.00%	-	0.00%					
771	Chenry Ventures, LLC	6,657,204.41	0.15%	0.00%	80.00%	0.55%	-	0.00%					
773	Chenry One	381,873,615.88	8.82%	8.82%	80.00%	7.06%	-	0.00%					
800	Chenry Corp -1/		100.00%	100.00%	80.00%	80.00%	720,615,577	100.00%	100.00%	100.00%	100.00%	100.00%	100.00%
		4,327,192,272.88											

-1/ Corp 800 has no revenues, as a result of an SEC audit net income is used as a proxy
 Corp 800 Net Income YTD 12/01 442,278,736.00
 Less Net Income YTD 9/01 (331,664,507.64)
 Add Net Income YTD 9/02 271,279,387.52
 381,873,615.88

Cinergy Services, Inc.
Weighted Average (50%/50%) of Sales and Construction Expenditure

Corp	Description	Revenues 12 Months Ended September 30, 2002	% of Revenues	% of Sales	% of Revenues W/ Util Weighted On Sales	Weighting %	2003 Budgeted Const Expend	Weighting %	% Const	Weighted Avg Sales & Const Expend	MAT
10	CGE EMBU	681,388,428.15	15.28%	45.40%	14.97%	50.00%	141,892,623	50.00%	9.86%	17.33%	47.21%
10	CGE EMBU	1,085,978,854.00	25.10%	0.20%	0.07%	50.00%	164,891,685	50.00%	0.11%	23.97%	
30	Lawrenceburg	10,176,658.80	0.24%		0.03%	50.00%	1,602,000	50.00%	0.00%	0.15%	
50	KO Trans	1,282,878.51	0.03%	8.57%	2.83%	50.00%	36,261,330	50.00%	0.00%	0.02%	10.73%
70	ULH&P	301,652,348.01	6.97%		0.00%	50.00%	695,250	50.00%	2.52%	3.94%	
90	Tri State	-	0.00%	45.83%	15.11%	50.00%	113,735,494	50.00%	0.05%	0.05%	42.06%
100	PSI EMBU	453,705,501.43	10.49%		26.28%	50.00%	254,331,561	50.00%	7.89%	15.44%	
100	Cinergy Wholesale Energy	-	0.00%		0.00%	50.00%	945	50.00%	0.00%	0.00%	
200	Cin Power Generation Serv LLC	1,407,138.74	0.03%		0.03%	50.00%	-	50.00%	0.00%	0.02%	
210	Cin Power Generation Serv LLC	151,460,124.43	3.50%		3.50%	50.00%	-	50.00%	0.00%	1.74%	
400	Cin Global Resources	-	0.00%		0.00%	50.00%	61,448	50.00%	0.01%	0.01%	
614	Cinergy Canada	459,401.31	0.01%		0.01%	50.00%	6,932	50.00%	0.00%	0.01%	
615	Cinergy Marketing & Trading	21,046,555.46	0.49%		0.49%	50.00%	4,455,464	50.00%	0.31%	0.55%	
617	Brownsville	-	0.00%		0.00%	50.00%	7,690	50.00%	0.00%	0.00%	
618	Caledonia	-	0.00%		0.00%	50.00%	4,693	50.00%	0.00%	0.00%	
620	Cin Cap & Trad (incl 621)	5,696,451.76	0.13%		0.13%	50.00%	6,029	50.00%	0.00%	0.07%	
626	Cadiz	-	0.00%		0.00%	50.00%	2,650,255	50.00%	0.19%	0.19%	
630	Cinergy Technology	76,752.94	0.00%		0.00%	50.00%	-	50.00%	0.00%	0.00%	
641	Cinergy Solutions, Inc.	-	0.00%		0.00%	50.00%	3,550	50.00%	0.00%	0.00%	
642	Lansing Grand River	-	0.00%		0.00%	50.00%	463	50.00%	0.00%	0.00%	
643	CSGP Of Southeast Texas	31,074,911.78	0.72%		0.72%	50.00%	6,301	50.00%	0.00%	0.36%	
644	Cin Gasco Solutions, LLC	383,836.00	0.01%		0.01%	50.00%	-	50.00%	0.00%	0.01%	
645	Cin Solutions of Philadelphia	3,864,993.95	0.09%		0.09%	50.00%	1,053	50.00%	0.00%	0.05%	
650	Cin Sol Hold Co, Inc.	60,370.42	0.00%		0.00%	50.00%	-	50.00%	0.00%	0.00%	
651	Vestair (incl corp 651 and 751)	42,281,443.67	0.98%		0.98%	50.00%	810	50.00%	0.00%	0.49%	
655	Cinergy Solutions of Tuscola	29,697,129.23	0.69%		0.69%	50.00%	-	50.00%	0.00%	0.00%	
687	Oak Mountain Products, LLC	-	0.00%		0.00%	50.00%	-	50.00%	0.00%	0.00%	
771	Cinergy Ventures, LLC	6,657,204.41	0.15%		0.15%	50.00%	-	50.00%	0.00%	0.08%	
773	Cherry One	381,873,615.68	8.82%		8.82%	50.00%	-	50.00%	0.00%	4.40%	
800	Cinergy Corp _1/	-	-		-	-	720,615,577	-	-	100.00%	100.00%
		4,327,192,272.68	100.00%	100.00%	100.00%	50.00%	-	50.00%	50.00%	100.00%	100.00%

_1/ Corp 800 has no revenues, as a result of an SEC audit net income is used as a proxy

Corp 800 Net Income YTD 12/01	442,278,736.00
Less Net Income YTD 9/01	(331,684,507.84)
Add Net Income YTD 9/02	271,279,387.52
	381,873,615.68

Cinergy Services, Inc.
Weighted Average - Employees, Construction and Customers

COID	Corp Name	Avg # of Employees	33% of Empl. Weighting		Avg # of Customers	33% of Cust. Weighting		Construct Expend	34% of Const. Weighting		LEG Percent One Wghtd Avg of Empl, Cust, and Constr	LEG Percent Two	LEE
			%	%		%	%						
10	CGE EMBU	1,363	18.09%	5.97%	1,011,167	17.01%	141,892,623	19.69%	6.69%	29.67%	33.33%	51.19%	
30	Lawrenceburg	9	0.00%	0.00%	6,187	0.11%	164,891,685	22.88%	7.78%	7.78%	8.74%		
70	UIL&P	220	0.12%	0.04%	213,562	10.89%	1,602,000	0.22%	0.07%	0.22%	0.25%	10.82%	
90	Tri State	-	0.00%	0.00%	730,749	37.25%	36,261,330	5.03%	1.71%	0.03%	7.04%		
100	PSI	989	13.22%	4.36%	-	-	695,250	0.10%	0.03%	0.03%	0.03%		
100	PSI EMBU	715	9.56%	3.15%	-	-	113,735,494	15.78%	5.37%	22.02%	24.75%	37.99%	
200	Cinergy Wholesale Energy	-	0.00%	0.00%	-	-	254,331,561	33.33%	11.11%	15.16%	17.03%		
210	CP&S	1,462	0.00%	0.00%	-	-	945	0.00%	0.00%	0.00%	0.00%		
400	Cin Global Resources	-	0.00%	0.00%	-	-	-	0.00%	0.00%	0.00%	0.00%		
613	Madison	-	0.00%	0.00%	-	-	61,448	0.00%	0.00%	0.00%	0.00%		
614	Cinergy Canada	-	0.00%	0.00%	-	-	6,932	0.00%	0.00%	0.00%	0.00%		
615	Cinergy Marketing & Trading	-	0.00%	0.00%	-	-	4,455,464	0.62%	0.21%	0.21%	0.24%		
617	Brownsville	-	0.00%	0.00%	-	-	7,690	0.00%	0.00%	0.00%	0.00%		
618	Caledonia	-	0.00%	0.00%	-	-	4,693	0.00%	0.00%	0.00%	0.00%		
620	Cin Cap & Trad (incl 621)	98	1.31%	0.43%	-	-	6,029	0.00%	0.00%	0.43%	0.48%		
626	Cadiz	-	0.00%	0.00%	-	-	2,650,255	0.37%	0.13%	0.13%	0.15%		
641	Cinergy Solutions, Inc.	32	0.43%	0.14%	-	-	3,550	0.00%	0.00%	0.14%	0.16%		
642	Lansing Grand River	12	0.16%	0.05%	-	-	463	0.00%	0.00%	0.05%	0.06%		
643	CSGP Of Southeast Texas	39	0.52%	0.17%	-	-	6,301	0.00%	0.00%	0.05%	0.06%		
645	Cin Sor of Philadelphia	12	0.16%	0.05%	-	-	1,053	0.00%	0.00%	0.17%	0.19%		
651	Vestar (incl corp 651 and 751)	35	0.47%	0.16%	-	-	810	0.00%	0.00%	0.05%	0.06%		
655	Cinergy Solutions of Tuscola	17	0.23%	0.08%	-	-	-	0.00%	0.00%	0.16%	0.18%		
771	Cinergy Ventures, LLC	-	0.00%	0.00%	-	-	-	0.00%	0.00%	0.08%	0.09%		
800	Cinergy Corp	-	0.00%	0.00%	-	-	-	0.00%	0.00%	0.00%	0.00%		
		4,953	66.75%	22.01%	1,961,665	100.00%	720,615,577	100.00%	34.00%	89.01%	100.00%	100.00%	
500	Cin Services												
4MH		23	0.31%	0.10%	-	-	-	0.00%	0.00%	0.10%	0.10%		
ACC		193	2.58%	0.85%	-	-	-	0.00%	0.00%	0.85%	0.85%		
ACT		15	0.20%	0.07%	-	-	-	0.00%	0.00%	0.07%	0.07%		
AC3		58	0.78%	0.26%	-	-	-	0.00%	0.00%	0.26%	0.26%		
CGE		205	2.74%	0.90%	-	-	-	0.00%	0.00%	0.90%	0.90%		
CGR		6	0.08%	0.03%	-	-	-	0.00%	0.00%	0.03%	0.03%		
CIN		11	0.15%	0.05%	-	-	-	0.00%	0.00%	0.05%	0.05%		
CMP		5	0.07%	0.02%	-	-	-	0.00%	0.00%	0.02%	0.02%		
CMT		21	0.28%	0.09%	-	-	-	0.00%	0.00%	0.09%	0.09%		
CNE		97	1.30%	0.43%	-	-	-	0.00%	0.00%	0.43%	0.43%		
CNG		63	0.84%	0.28%	-	-	-	0.00%	0.00%	0.28%	0.28%		
CNG		29	0.39%	0.13%	-	-	-	0.00%	0.00%	0.13%	0.13%		
CPI		8	0.11%	0.04%	-	-	-	0.00%	0.00%	0.04%	0.04%		
CSL		1	0.01%	0.00%	-	-	-	0.00%	0.00%	0.00%	0.00%		
CSN		1	0.01%	0.00%	-	-	-	0.00%	0.00%	0.00%	0.00%		
CTE		5	0.07%	0.02%	-	-	-	0.00%	0.00%	0.02%	0.02%		
CTG		9	0.12%	0.04%	-	-	-	0.00%	0.00%	0.04%	0.04%		
CTJ		151	2.02%	0.67%	-	-	-	0.00%	0.00%	0.67%	0.67%		
CVL		5	0.07%	0.02%	-	-	-	0.00%	0.00%	0.02%	0.02%		
DAC		27	0.36%	0.12%	-	-	-	0.00%	0.00%	0.12%	0.12%		
DEC		29	0.39%	0.13%	-	-	-	0.00%	0.00%	0.13%	0.13%		
DEV		3	0.04%	0.01%	-	-	-	0.00%	0.00%	0.01%	0.01%		
EDA		43	0.57%	0.19%	-	-	-	0.00%	0.00%	0.19%	0.19%		
ELC		38	0.51%	0.17%	-	-	-	0.00%	0.00%	0.17%	0.17%		
EME		15	0.20%	0.07%	-	-	-	0.00%	0.00%	0.07%	0.07%		
ESOI/SEL/TOW		169	2.26%	0.75%	-	-	-	0.00%	0.00%	0.75%	0.75%		
EXE		51	0.68%	0.22%	-	-	-	0.00%	0.00%	0.22%	0.22%		
HUR		228	3.05%	1.01%	-	-	-	0.00%	0.00%	1.01%	1.01%		
LEG_1/		-	0.00%	0.00%	-	-	-	0.00%	0.00%	0.00%	0.00%		
MAT		35	0.47%	0.16%	-	-	-	0.00%	0.00%	0.16%	0.16%		
MPA		12	0.16%	0.05%	-	-	-	0.00%	0.00%	0.05%	0.05%		

Corp	Corp Name	Avg # of Employees	%	% of Empl. Weighting	Avg # of Customers	%	% of Cust. Weighting	Construct Expend	%	% of Const. Weighting	Empl. Cust. and Const.	Percent Two	LEE
	ONE	12	0.16%	0.05%							0.05%		
	PCO	16	0.21%	0.07%							0.07%		
	PSI	366	4.85%	1.61%							1.61%		
	PUB	61	0.82%	0.27%							0.27%		
	RAC/SLJ	31	0.41%	0.14%							0.14%		
	RBU	32	0.43%	0.14%							0.14%		
	RW2	156	2.11%	0.70%							0.70%		
	RWG/SCW/PPT	146	1.95%	0.64%							0.64%		
	SALJ/UTL	71	0.95%	0.31%							0.31%		
	SMT	17	0.23%	0.08%							0.08%		
	SOL	6	0.08%	0.03%							0.03%		
	TRN	8	0.11%	0.04%							0.04%		
	ULH	7	0.09%	0.03%							0.03%		
	Total Cn Serv	2,486	33.25%	10.95%							10.95%		
		7,479	100.00%	33.00%	1,961,685	100.00%	33.00%	720,615,577	100.00%	34.00%	100.00%	100.00%	100.00%

1/ There were 61 employees using the LEG allocator. These employees were excluded from the calculation of LEG. We feel that greater accuracy of the final allocation percentages will be achieved by excluding these employees from the calculation of LEG.

KyPSC Staff Data Requests Set No. 2
Case No. 2003-00252
Date Received: September 10, 2003
Response Due Date: September 17, 2003

KyPSC-DR-02-027, Page 1 of 2

REQUEST:

27. Refer to Item 51 of ULH&P's response to the Staff's Initial Request.
- a. Attachment KyPSC-01-051a was not provided with the responses. Provide the originally requested information.
 - b. Concerning the response to part (a)(6), indicate the portion of the Federal Energy Regulatory Commission's ("FERC") jurisdictional accumulated deferred investment tax credits ("ADITC") that reflects sales from CG&E to ULH&P. Include all supporting calculations, assumptions, and workpapers.
 - d. Explain why the portion of FERC jurisdictional ADITC attributable to ULH&P under CG&E's wholesale sales to ULH&P should not be transferred to ULH&P as it acquires the generating assets that gave rise to the ADITC.
 - e. Concerning the response to part (a)(6), explain why Zimmer was excluded from the calculations.
 - f. Refer to part (d).
 - (1) Explain what is meant by the phrase "during the relevant period."
 - (2) Explain in detail why the fact the plants were not subject to retail rate-making in Kentucky "during the relevant period" makes the proposal to continue amortizing the ADITC below the line reasonable.
 - (3) Would ULH&P agree that, by continuing to record the ADITC amortization below the line, ULH&P and its shareholder CG&E will receive all the benefits of the ADITC amortization? Explain the response.
 - (4) If the Tax Reform Act of 1986 provides rules determining how ADITC is passed through to ratepayers, explain how ULH&P's proposal to record the amortization below the line is consistent with "normalization."

RESPONSE:

- a. Please see the attachment to this request titled KyPSC-01-051a which was inadvertently left out of the first set of responses.
- b. The response to Staff's Initial Request 51a(6) contains an error. The actual FERC jurisdictional ADITC for Miami Fort 6 shown on Attachment KyPSC-01-051a should be \$16,707. Attachment KyPSC-02-027b shows the calculation of the percentage of CG&E's net electric production plant that is allocable to serving ULH&P. ULH&P's 15.615% share was derived from CG&E's latest approved FERC rate case in Docket No. ER00-213-000.
- d. All of the ADITC associated with the Plants will be transferred to ULH&P.

- e. The response to Staff's Initial Request 51a(6) was a discussion of the method previously used to allocate amounts between retail and FERC jurisdiction. For the past several years, this calculation has included all net electric production plant, including Zimmer. This is the method used in Attachment KyPSC-02-027b to calculate the 16.866% FERC jurisdiction and ULH&P's 15.615% allocation.
- f. (1) This phrase refers to the period of time when the ITC was generated and amortized until the Plants are transferred to ULH&P.
- (2) See the response to Item 51d, part 2 of the Staff's Initial Request.
- (3) Yes. The continued amortization of the ADITC below the line excludes the ADITC from cost of service.
- (4) The "normalization" rules restrict the amount and rate at which ADITC is passed through to ratepayers. A violation of these rules occurs where the pass through is done more quickly or is of a greater amount than permitted. If no pass through occurs, a violation cannot occur.

WITNESS RESPONSIBLE: John P. Steffen

The Cincinnati Gas & Electric Company
 Remaining ADITC Balances
 As of March 31, 2003

	<u>Miami Fort #5&6</u>	<u>East Bend</u>
	56,022	0
3% ITC Basis	(55,793)	0
3% Accumulated Amortization	143,024	4,781
4% ITC Basis	(121,560)	(3,413)
4% Accumulated Amortization	2,409,931	23,686,291
10% ITC Basis	(1,880,747)	(16,376,044)
10% Accumulated Amortization	<u>550,877</u>	<u>7,311,615</u>
ADITC Balance		
Balances after write down of 3%		
and 4% @ 83.134% to RTC		
3% ITC Basis	9,449	0
3% Accumulated Amortization	(9,410)	0
4% ITC Basis	24,122	806
4% Accumulated Amortization	(20,502)	(576)
10% ITC Basis	2,409,931	23,686,291
10% Accumulated Amortization	(1,880,747)	(16,376,044)
ADITC Balance	<u>532,843</u>	<u>7,310,478</u>
Miami Fort #6 Estimated Allocation Percent	17.60%	
Miami Fort #6 Estimated Balance	<u>93,780</u>	
Non-reg Allocation Percentage	82.185%	82.185%
Non-reg ITC Balances (FERC Account 255)	<u>77,073</u>	<u>6,008,116</u>
FERC Regulated ITC Balances (FERC Account 255)	<u>16,707</u>	<u>1,302,362</u>

THE CININNATI GAS & ELECTRIC COMPANY
 Calculation of FERC Jurisdictional % Related to ULH&P
 From FERC Case No. ER00-213-000

	<u>Total Electric</u>	<u>Villages</u>	<u>ULH&P</u>	<u>WHG&E</u>	<u>Total FERC</u>	<u>Retail</u>
<u>Net Production Plant</u>	3,067,526,412	37,327,907	478,986,396	1,045,569	517,359,872	2,550,166,540
Production Plant In-Service	(1,364,103,991)	(16,599,416)	(213,001,346)	(464,956)	(230,065,718)	(1,134,038,273)
Production Plant Depreciation Reserve						
Net Production Plant	1,703,422,421	20,728,491	265,985,050	580,613	287,294,154	1,416,128,267
FERC Jurisdictional Percent		1.217%	15.615%	0.034%	16.866%	83.134%

KyPSC Staff Data Requests Set No. 2
Case No. 2003-00252
Date Received: September 10, 2003
Response Due Date: September 17, 2003

KyPSC-DR-02-028

REQUEST:

28. Refer to Item 52 of ULH&P's response to the Staff's Initial Request.
- a. Explain whether, prior to Ohio's deregulation, CG&E accounted for accumulated deferred income taxes associated with the plants above or below the line.
 - b. Refer to part (c). If the accumulated deferred income taxes are considered part of the proposed transfer, explain in detail why Kentucky ratepayers should not receive the benefit of all the accumulated deferred income taxes generated by the plants.
 - c. Would ULH&P agree that, by recording a portion of the accumulated deferred income tax amortization below the line, ULH&P and its shareholder, CG&E, will receive all the benefits of that portion of the amortization? Explain the response.
 - d. If the Tax Reform Act of 1986 provides rules determining how accumulated deferred income taxes are passed through to ratepayers, explain how ULH&P's proposal to record a portion of the amortization below the line is consistent with "normalization."

RESPONSE:

- a. Prior to Ohio's deregulation, CG&E accounted for accumulated deferred income taxes associated with the Plants above the line.
- b. See the response to Item 52c, part 1 of the Staff's Initial Request.
- c. Yes. The reversal of the accumulated deferred income taxes below the line has the effect of excluding the balance from cost of service.
- d. The "normalization" rules restrict the amount and rate at which accumulated deferred income taxes are passed through to ratepayers. A violation of these rules occurs where the pass through is done more quickly or is of a greater amount than permitted. If no pass through occurs, a violation cannot occur.

WITNESS RESPONSIBLE: John P. Steffen

KyPSC Staff Data Requests Set No. 2
Case No. 2003-00252
Date Received: September 10, 2003
Response Due Date: September 17, 2003

KyPSC-DR-02-029

REQUEST:

29. Refer to Items 53(a) and 53(b) of ULH&P's response to the Staffs Initial Request.

a. Prepare a reconciliation of the capital additions for calendar years 2003 through 2006 provided in this response with the amounts shown in Attachment JPS-1 to the Steffen Testimony. Include an explanation of the reason(s) why the amounts on the two documents are different.

b. Provide all workpapers, calculations, and assumptions used to develop the capital additions shown in Attachment JPS-1.

RESPONSE:

a. After ULH&P provided its answer to KyPSC-DR-01-053, it provided KyPSC-DR-01-053 Supplemental, which superseded the answer provided in KyPSC-DR-01-053. The difference in the amount of capital additions between KyPSC-DR-01-053 Supplemental and Attachment JPS-1 is \$145, and is due to rounding.

b. See response to KyPSC-DR-02-029(a). There are no additional workpapers, calculations or assumptions used to develop the capital additions shown in Attachment JPS-1.

WITNESS RESPONSIBLE: John J. Roebel

KyPSC Staff Data Requests Set No. 2
Case No. 2003-00252
Date Received: September 10, 2003
Response Due Date: September 17, 2003

KyPSC-DR-02-030

REQUEST:

30. Refer to Items 53(c) and 53(d) of ULH&P's response to the Staff's Initial Request. In the response to part (c), ULH&P has indicated that retirements and replacements are included in the capital expenditures listed in the response to part (a). However, in the response to part (d), ULH&P states there are no retirements or replacements.

a. Are there or are there not any retirements and replacements included in the response to part (a)? If yes, provide a listing of each capital expenditure related to a retirement or replacement.

b. Explain the apparent contradiction in the responses to parts (c) and (d).

c. Given the nature of the capital expenditures provided in the response to part (a), explain in detail why those expenditures would not result in some level of retirement or replacement of existing facilities at the three plants.

RESPONSE:

a. – c. This information was submitted in KyPSC-DR-01-53 Supplemental, which was sent in on September 9, 2003.

WITNESS RESPONSIBLE: John J. Roebel

KyPSC Staff Data Requests Set No. 2
Case No. 2003-00252
Date Received: September 10, 2003
Response Due Date: September 17, 2003

KyPSC-DR-02-031

REQUEST:

31. Refer to Item 53(e) of ULH&P's response to the Staffs Initial Request. Provide the status of the depreciation study on CG&E's production facilities and indicate when the study will be completed and issued.

RESPONSE:

CG&E's depreciation study on production facilities is complete. It is anticipated that the final report will be issued by Gannett Flemming, Inc, by the end of September, 2003. If Woodsdale, East Bend and Miami Fort Unit 6 are transferred to ULH&P, a new study will have to be performed in order to incorporate the cost of removal components of the depreciation rate. Since CG&E is non-regulated for production, costs of removal are expensed under FAS 143.

A copy of the report will be furnished when it is available.

WITNESS RESPONSIBLE: John P. Steffen

KyPSC Staff Data Requests Set No. 2
Case No. 2003-00252
Date Received: September 10, 2003
Response Due Date: September 17, 2003

KyPSC-DR-02-032

REQUEST:

32. Refer to Item 54(a) of ULH&P's response to the Staffs the Initial Request.
- a. Describe in detail CG&E's and Cinergy's approach to managing its S02 allowance inventory. Include in the description a discussion of how decisions on the purchase or sale of allowances are made.
 - b. In the response to part (a), ULH&P states that in the revenue requirement the credits for S02 and NOx allowances was based on market prices. Explain in detail why the market price was utilized instead of the actual inventory cost of the allowances.

RESPONSE:

- a. The amount of SO2 tons emitted is forecasted for the upcoming twelve months based on the forecasted economic dispatch of the plants. It is determined how many allowances, above the allocations from the EPA, will need to be purchased. The estimated purchases are made a year in advance.
- b. The credits are for allowances assumed to be sold into the market, so the estimated market price provides the best estimate of the impact of the transaction.

WITNESS RESPONSIBLE: John J. Roebel

KyPSC Staff Data Requests Set No. 2
Case No. 2003-00252
Date Received: September 10, 2003
Response Due Date: September 17, 2003

KyPSC-DR-02-033

REQUEST:

33. Refer to Item 54(c) of ULH&P's response to the Staff's Initial Request.
- a. Explain the phrase "average inventory cost" as used in the response and indicate whether this average cost is for a particular vintage year or for all years.
 - b. Does CG&E plan to transfer the SO₂ and NO_x emission allowance inventory for the three plants at actual historic cost or at market prices? Explain the response.

RESPONSE:

- a. The average inventory cost is an inventory methodology. It calculates the cost of inventory by dividing total cost in inventory by total units in inventory to calculate a price per unit. This is by current vintage year and any prior years carryover.
- b. CG&E plans to transfer to ULH&P the SO₂ and NO_x allowances allocated to the plants by the EPA. These allocations will be transferred to ULH&P at cost. Since these allowances are allocated by the EPA, the historical actual cost of these allowances will be zero. Any additional allowances will be acquired at market price.

WITNESS RESPONSIBLE: John J. Roebel

KyPSC Staff Data Requests Set No. 2
Case No. 2003-00252
Date Received: September 10, 2003
Response Due Date: September 17, 2003

KyPSC-DR-02-034

REQUEST:

34. Refer to Item 2 of ULH&P's response to the Attorney General's Initial Data Request, specifically CG&E's FERC Form 1 for 2002, pages 228 and 229.

a. Provide the number of SO₂ emission allowances used by CG&E by year for calendar years 1998 through 2002. For each calendar year, show the number of allowances used at each generating unit.

b. Explain why CG&E purchased 183,751 SO₂ emission allowances in 2002 for use in 2002.

c. CG&E's purchase of SO₂ emission allowances in 2002 was at a cost of \$32,037,866, or an average price per allowance of approximately \$174 per allowance. The purchases were made from six vendors. Explain how the purchase price from each vendor was determined. Also explain why the cost per allowance from Arizona Public Service appears to be significantly higher than the other purchases.

d. Does ULH&P anticipate that it will need to purchase SO₂ emission allowances for the plants included in the proposed transaction? Explain the response.

RESPONSE:

CONFIDENTIAL PROPRIETARY TRADE SECRET

Responses are Confidential Proprietary Trade Secret and will be provided to any party to this proceeding who has signed a confidentiality agreement.

WITNESS RESPONSIBLE: John J. Roebel

KyPSC Staff Data Requests Set No. 2
Case No. 2003-00252
Date Received: September 10, 2003
Response Due Date: September 17, 2003

KyPSC-DR-02-035

REQUEST:

35. Refer to Item 54(e) of ULH&P's response to the Staff's Initial Request.
- a. Based on the response, is it correct that the number of SO₂ allowances listed for each generating facility in 2003-2009 reflects the allowances for each year of that period?
 - b. Based on the response, is it correct that the number of NO_x allowances listed for each generating facility in 2004-2005 reflects the allowances for each year of that period?
 - c. Explain in detail why ULH&P used a market price to determine the dollar value of the SO₂ and NO_x allowances rather than the historic actual costs of the allowances as recorded by CG&E.
 - d. Resubmit the responses to part (e)(2) and (e)(4) using the historic actual costs of the allowance inventories.
 - e. Indicate how the SO₂ and NO_x allowances at East Bend are allocated between CG&E and Dayton Power & Light.

RESPONSE:

- a. Yes.
- b. Yes.
- c. Market price was used to determine the dollar value since it was interpreted that dollar value meant the fair market value of these allowances. The historical actual cost of the allowances is zero. These allowances are received from the EPA at no cost.
- d. The historical actual cost of the allowances is zero. These allowances are received from the EPA at no cost.
- e. The owners have agreed to share SO₂ allowances according to their respective heat input take from Unit 2 during the baseline years of 1985 through 1987. Applying this formula, CG&E's share is 70.37% and DP&L's share is 29.63%.

The owners agreed that NO_x allowances shall be allocated upon each owner's share of heat input take for Unit 2 during the same baseline years used by the USEPA and the Ohio Environmental Protection Agency to determine Unit 2's allocation.

WITNESS RESPONSIBLE: John J. Roebel

KyPSC Staff Data Requests Set No. 2
Case No. 2003-00252
Date Received: September 10, 2003
Response Due Date: September 17, 2003

KyPSC-DR-02-036

REQUEST:

36. Refer to Item 55 of ULH&P's response to the Staff's Initial Request.
- a. Was ULH&P aware that the Commission normally has not allowed a utility to earn a return on the unamortized balance of a deferred expense?
 - b. Explain in detail why ULH&P should be allowed in this instance to not only recover the deferred cost through amortization but also earn a return on the unamortized balance of the deferred transaction expense.
 - c. If part of ULH&P's reasoning in support of earning a return on the unamortized balance of the deferred expense is that the amortization of the deferred expense is being delayed until the next rate case, explain why that reason is relevant given that ULH&P is requesting that the amortization be delayed.

RESPONSE:

- a. Yes, ULH&P is aware the Commission normally has not allowed a utility to earn a return on the unamortized balance of deferred expense. However, ULH&P continues to believe that it is fair and equitable to earn a return on the uncollected balance if these cash expenditures that will be incurred solely for the purpose of transferring generating assets to ULH&P. The cost of money is a real transaction cost.
- b. ULH&P is incurring significant upfront transaction expenses (estimated at \$4,856,000, as shown on Attachment JPS-7) and will recover these expenses over some future period of time. ULH&P feels it would be unfair if it were not allowed to recover its cost of capital for the funds used to pay for this transaction.
- c. ULH&P proposed the deferral of the transaction expense until its next rate case because it intends to honor the rate freeze agreed upon in Case No. 2001-058. If by this question the Staff is proposing quicker recovery of the transaction expenses, ULH&P would be willing to put a tracker in place at the time of the transfer of the plants to recover these expenses on a more timely basis. However, ULH&P continues to believe that even under expedited recovery, compensation for the cost of capital is appropriate.

WITNESS RESPONSIBLE: John P. Steffen

KyPSC Staff Data Requests Set No. 2
Case No. 2003-00252
Date Received: September 10, 2003
Response Due Date: September 17, 2003

KyPSC-DR-02-037, Page 1 of 2

REQUEST:

37. Refer to Items 56(c) and 56(d) of ULH&P's response to the Staff's Initial Request.

a. Explain why the 13-month averages used to determine the rate base were as of March 31, 2003 instead of December 31, 2002.

b. Based on the response to part (c), is it correct that only selected components from the rate base have been projected to 2006? If yes, explain why this is a reasonable approach to use to estimate future revenue requirements for the proposed transaction.

c. Refer to Attachment KyPSC-DR-01-056d.

(1) On page 1 of 2, explain why amounts for accumulated depreciation and accumulated deferred income taxes were not included to correspond with the "2003-2006 Changes to ULH&P Plant."

(2) On page 2 of 2, explain how ULH&P determined the Cash Working Capital Allowance shown for the "12/31/06 Plants."

(3) On page 2 of 2, explain why an amount for accumulated depreciation was not included to correspond with the "2003-2006 Changes to ULH&P Plant."

RESPONSE:

CONFIDENTIAL PROPRIETARY TRADE SECRET
AS TO RESPONSE 37(c)(2) ONLY

a. While this calculation was only done for illustrative purposes, the thirteen-month averages ending March 13, 2003 were used to determine the rate base because the costs were considered to be more accurate than the averages as of December 31, 2002. The thirteen-month averages were used for working capital items such as coal, propane and natural gas inventories, which are sensitive to fluctuations in market prices. We believed that the thirteen-month average ending March 31, 2003 would reflect more current market prices and therefore would be more accurate.

b. Yes, as shown in Attachment KyPSC-DR-01-056d, only selected components of the rate base were projected to 2006. We feel that this is a reasonable approach, as we projected the components that we knew would change as a result of the proposed transfer of the Plants. This was done for illustrative purposes only. The actual amounts will be used in ULH&P's next base rate case for rates to be effective approximately January 1, 2007.

KyPSC Staff Data Requests Set No. 2
Case No. 2003-00252
Date Received: September 10, 2003
Response Due Date: September 17, 2003

KyPSC-DR-02-037, Page 2 of 2

- c. 1. Referring to Attachment KyPSC-DR-01-056d, the accumulated depreciation corresponding to the "2003-2006 Changes in ULH&P Plant" was netted against the change in plant during the period and is included in "Total Utility Plant in Service," as noted in Footnote C. The change to accumulated deferred income taxes between 2003 and 2006 was mistakenly omitted in the calculation of the gas jurisdictional rate base. Including the change to accumulated deferred income taxes will decrease the gas jurisdictional rate base by \$13,141,000 and the gas jurisdictional ratio by 1.221%. This change increases the estimated 2006 electric revenue requirement by approximately \$836,000. Attachment KyPSC-DR-02-037 shows the calculation of the gas jurisdictional rate base including the change to accumulated deferred income tax and the accumulated depreciation separated from the "Total Utility Plant in Service."
2. **This response is Confidential Proprietary Trade Secret and will be provided to any party to this proceeding who has signed a confidentiality agreement.**
3. Similar to the calculation of the gas jurisdictional rate base discussed in part one above, the accumulated depreciation corresponding to the "2003-2006 Changes in ULH&P Plant" was netted against the change in plant during the period and included in "Total Utility Plant in Service." Attachment KyPSC-DR-02-037 shows the calculation of the electric jurisdictional rate base with accumulated depreciation shown separately from the "Total Utility Plant in Service."

WITNESS RESPONSIBLE: John P. Steffen

Line No.	Description	Total Company	Gas Excl. of Facil Dev. to Other Than ULH&P Custs.	Gas Non-Juris.	Elec Excl. of Facil Dev. to Other Than ULH&P Custs.	Electric Non-Juris.
1	Total Utility Plant in Service (Accts 101 & 106)	1,492,518,914	380,501,951	9,575,233	1,102,016,950	0
2	Additions:					
3	Construction Work in Progress (Account 107)	14,744,952	6,439,568	0	8,305,384	0
4	Materials & Supplies -					
5	Propane Inventory (Account 151) (A)	2,243,215	2,243,215	0	0	0
6	Coal Inventory	8,583,574	0	0	8,583,574	0
7	Other Material and Supplies (Accts. 154 & 163) (A)	524,870	208,298	0	316,572	0
8	Total Materials & Supplies	11,351,659	2,451,513	0	8,900,146	0
9	Gas Stored Underground (Account 164) (A)	4,616,474	4,616,474	0	0	0
10	Prepayments (Account 165) (A)	316,398	128,596	0	187,802	0
11	Cash Working Capital Allowance	36,389,866	7,676,797	0	28,713,070	0
12	Other Rate Base Items	0	0	0	0	0
13	Total Additions	67,419,349	21,312,947	0	46,106,401	0
14	Deductions:					
15	Reserve for Accumulated Depreciation (Acct 108)	722,069,260	105,162,912	6,141,746	610,764,602	0
16	Accum. Deferred Income Taxes (Accts 190, 282, & 283)	69,310,297	29,222,739	1,031,891	39,035,927	0
17	Customer Advances for Construction (Account 252)	3,916,379	3,916,379	0	0	0
18	Investment Tax Credits	75,490	73,859	1,631	0	0
19	Total Deductions	795,371,426	138,365,699	7,175,268	649,830,459	0
20	Net Original Cost Rate Base	764,566,836	213,448,579	2,399,965	548,718,291	0
21	Total Company Ratio	100.000%	27.918%	0.313%	71.769%	0.000%
22	Jurisdictional Rate Base	762,166,871	213,448,579		548,718,291	
23	Jurisdictional Ratio	100.000%	28.005%		71.995%	

Notes:

(A) Based on thirteen month average.

KyPSC Staff Data Requests Set No. 2
Case No. 2003-00252
Date Received: September 10, 2003
Response Due Date: September 17, 2003

KyPSC-DR-02-038

REQUEST:

38. Refer to Item 58 of ULH&P's response to the Staff's Initial Request.

a. Given the significance of the proposed transaction, explain in detail why ULH&P and CG&E have not had any contact with, or made inquiries to the Kentucky Revenue Cabinet and Ohio Department of Taxation, concerning the potential tax implications from the proposed transaction.

b. Indicate when ULH&P and CG&E plan to contact the two agencies to determine the potential tax implications, if any, resulting from the proposed transaction.

RESPONSE:

a. Cinergy utilizes the resources of its Tax Department to conduct the analysis of the potential tax impact of the many transactions in which it enters. Professional accounting and legal firms are consulted as necessary. No contact with Kentucky, Ohio or any other state or local taxing authority has been deemed necessary for this transaction.

b. ULH&P and CG&E do not currently plan to contact the Kentucky Revenue Cabinet or the Ohio Department of Taxation regarding the proposed transaction. In the event that consultation with a taxing authority is deemed necessary, it will likely be at the Federal level.

WITNESS RESPONSIBLE: John P. Steffen

KyPSC Staff Data Requests Set No. 2
Case No. 2003-00252
Date Received: September 10, 2003
Response Due Date: September 17, 2003

KyPSC-DR-02-039

REQUEST:

39. Several of ULH&P's responses to the Staff's Initial Request list the responsible witness as either "NA" or "TBD." Such references do not conform to the data request instructions to identify all witnesses. Provide the names of the appropriate witnesses who are responsible for the responses listed as "NA" or "TBD."

RESPONSE:

Responsible witnesses will be as follows:

KyPSC-DR-01-001b Gregory C. Ficke

KyPSC-DR-01-021a M. Stephen Harkness

KyPSC-DR-01-021b M. Stephen Harkness

KyPSC-DR-01-031a M. Stephen Harkness

KyPSC-DR-01-031b M. Stephen Harkness

KyPSC-DR-01-031c M. Stephen Harkness

KyPSC-DR-01-031d M. Stephen Harkness

KyPSC-DR-01-031e M. Stephen Harkness

KyPSC-DR-01-022 Gregory C. Ficke

WITNESS RESPONSIBLE: Gregory C. Ficke