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May 28, 2008

RECEIVED

VIA HAND DELIVERY

Stephanie L. Stumbo
Executive Director
Kentucky Public Service Commission
211 Sower Boulevard
Frankfort, KY 40601

MAY 28 2008

PUBLIC SERVICE COMMISSION

RE: <u>Application of Louisville Gas and Electric Company to File Depreciation Study</u>
Case No. 2007-00564

<u>Application of Kentucky Utilities Company to File Depreciation Study</u>
Case No. 2007-00565

Dear Ms. Stumbo:

Enclosed please find and accept for filing two originals and ten copies of Louisville Gas and Electric Company's and Kentucky Utilities Company's Data Requests to the Attorney General in the above-referenced matters. Please confirm your receipt of these filings by placing the stamp of your Office with the date received on the enclosed additional copies and return them to me in the enclosed self-addressed stamped envelope.

Should you have any questions please contact me at your convenience.

Sincerely,

W. Duncan Crosby III

WDC:ec Enclosures

cc: Parties of Record

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COMMONWEALTH OF KENTUCKY

BEFORE THE PUBLIC SERVICE COMMISSION

In the Matter of:

APPLICATION OF LOUISVILLE GAS AND)
ELECTRIC COMPANY TO FILE) CASE NO. 2007-00564
DEPRECIATION STUDY)

In the Matter of:

APPLICATION OF KENTUCKY UTILITIES)
COMPANY TO FILE DEPRECIATION) CASE NO. 2007-00565
STUDY

DATA REQUESTS OF LOUISVILLE GAS AND ELECTRIC COMPANY AND KENTUCKY UTILITIES COMPANY TO THE ATTORNEY GENERAL

Louisville Gas and Electric Company ("LG&E") and Kentucky Utilities Company ("KU") (collectively the "Companies") respectfully submit the following data requests to the Attorney General of the Commonwealth of Kentucky ("AG") to be answered by the date specified in the Commission's order of procedure herein.

Instructions

- 1. As used herein, "Documents" include all correspondence, memoranda, notes, e-mail, maps, drawings, surveys or other written or recorded materials, whether external or internal, of every kind or description in the possession of or accessible to the AG, his witnesses or his counsel.
- 2. Please identify by name, title, position and responsibility the person or persons answering each of these data requests for information.
- 3. These requests shall be deemed continuing so as to require further and supplemental responses if the AG receives or generates additional information within the scope of these requests between the time of the response and the time of any hearing conducted herein.

- 4. To the extent that the specific document, work paper or information as requested does not exist, but a similar document, work paper or information does exist, provide the similar document, work paper or information.
- 5. To the extent that any request may be answered by way of a computer printout, spreadsheet or other form of electronic media, please identify each variable contained in the document or file which would not be self evident to a person not familiar with the document or file.
- 6. If the AG has objections to any request on the grounds that the requested information is proprietary in nature, or for any other reason, please notify the undersigned counsel for the Companies as soon as possible.
- 7. For any document withheld on the ground of privilege, state the following: date; author; addressee; indicated or blind copies; all persons to whom distributed, shown or explained; ant the nature and legal basis for the privilege asserted.
- 8. In the event any document requested has been destroyed or transferred beyond the control of the AG, or any of his witnesses, state: the identity of the person by whom it was destroyed or transferred and the person authorizing the destruction or transfer; the time, place and method of destruction or transfer; and the reason(s) for its destruction or transfer. If destroyed or transferred by reason of a document retention policy, describe in detail the document retention policy.
- 9. If a document responsive to a request is a matter of public record, please produce a copy of the document rather than refer the Companies to the record where the document is located.

Data Requests

- 1. On page 4, line 17, of Mr. Majoros's testimony he states that inflation for 2018, 2028 and 2038 are included in Mr. Spanos's study. Please state the basis for Mr. Majoros's assertion, citing specifically where and how Mr. Spanos includes in his study inflation for 2018, 2028, and 2038, and provide the basis for this assertion.
- 2. On page 10 of Mr. Majoros's testimony he states, "Although the [Virginia State Corporation Commission] Staff approved KU's proposed lives and net salvage parameters, it did not approve the implementation of ELG" Does Mr. Majoros agree that the Virginia Commission Staff's opinions or recommendations are not binding on the Virginia Commission? Does Mr. Majoros agree that the recommendation by the Virginia Commission Staff will not be considered until KU files its next base rate case with the Virginia Commission?
- 3. On page 11, line 9, of Mr. Majoros's testimony he states, "[B]oth ALG and ELG assume full recovery and ELG will produce a depreciation expense increase." Does that imply that rate base in the future will be less using the ELG procedure? If not, please explain why not.
- 4. Assuming that historical plant balances continue to increase, would Mr. Majoros agree that the net salvage incurred would increase as well on average each year assuming retirements continued at the same rate? If not, please explain why not.
- 5. Please provide complete citations to, and a copy of Mr. Majoros's testimony in, all of the administrative proceedings in which Mr. Majoros has testified concerning his present value method approach to cost of removal, and specifically state for each whether the commission or agency involved adopted or rejected the approach.

Dated: May 28, 2008 Respectfully submitted,

Kendrick R. Riggs W. Duncan Crosby III

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Counsel for Kentucky Utilities Company and

Louisville Gas and Electric Company

CERTIFICATE OF SERVICE

I hereby certify that a true copy of the foregoing Data Requests was served via U.S. mail, first-class, postage prepaid, this 28th day of May 2008 upon the following persons:

Lawrence W. Cook Assistant Attorney General Office of the Kentucky Attorney General Office of Rate Intervention 1024 Capital Center Drive, Suite 200 Frankfort, Kentucky 40601-8204

Counsel for Kentucky Utilities Company and Louisville Gas and Electric Company