

COMMONWEALTH OF KENTUCKY
BEFORE THE PUBLIC SERVICE COMMISSION

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PUBLIC SERVICE
COMMISSION

In the Matter of:

APPLICATION OF KENTUCKY)
UTILITIES COMPANY FOR AN) CASE NO. 2008-00251
ADJUSTMENT OF BASE RATES)

**RESPONSE OF CAK TO DATA REQUESTS
SERVED ON IT BY COMMISSION STAFF**

Comes now Community Action Kentucky, Inc. (CAK), 101 Burch Court, Frankfort, KY 40601, by counsel, and for its response to the Data Requests served upon it by the Commission staff, states as follows:

Data Request No. 1

Page 2 of the Testimony of Thomas “Kip” Bowmar (“Bowmar Testimony”) refers to the Low Income Home Energy Assistance Program (“LIHEAP”) funds available and the households helped in Kentucky for the 2005-2006, 2006-2007, and 2007-2008 heating seasons, noting that the LIHEAP funding for the 2007-2008 heating season was much less than the two prior heating seasons.

- a. Provide the amount of LIHEAP funds expected to be available to Kentucky for the 2008-2009 heating season.
- b. Provide CAK’s estimate of the number of households in Kentucky that will receive LIHEAP assistance in the 2008-2009 heating season.

Response

Witness: Kip Bowmar

- a. \$56,600,001
- b. approximately 250,000 households

Data Request No. 2

Page 6 of the Bowmar Testimony indicates that the current 10 cents per meter Home Energy Assistance (“HEA”) charge generates around \$1.3 million annually for Louisville Gas and Electric Company (“LG&E”) and Kentucky Utilities Company (“KU”) on a combined basis and helps approximately 2,500 households. Mr. Bowmar states that increasing the HEA charge to 25 cents per meter would generate \$3.2 million annually and would help over 6,000 LG&E and KU households.

- a. Provide a breakdown of the annual HEA funds of \$1.3 million which shows the amounts collected from LG&E customers and KU customers.
- b. Provide an estimate of the average KU bill for the 2007-2008 heating season for a household eligible for the HEA program.
- c. Explain how CAK determined that 6,000 is the appropriate number of customers to serve under its proposal to increase the HEA meter charge.
- d. Mr. Bowmar state that the HEA program has been shown to reduce arrearages and shutoffs, thereby reducing the burden on ratepayers and shareholders. Provide any studies, papers, articles, etc. that demonstrate that the HEA program produces these results.

Response

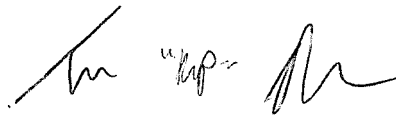
Witness: Kip Bowmar

- a. Approximately \$750,000 for LG&E and approximately \$550,000 for KU

- b. Unknown
- c. 6,000 is the number that increasing the surcharge from 10 cents to 25 cents allows the program to serve under the current program design. The unmet need is far greater as nearly 17% of all Kentuckians are below the poverty line, which equates to nearly 680,000 Kentuckians or approximately 340,000 households. Between KU and LG&E there are approximately 125,000 customer households that are at or below the federal poverty guidelines. Allowing the program to serve 6,000 households is positive step in the right direction.
- d. The Commission ordered that an evaluation be performed on the KU and LG&E Home Energy Assistance Programs. Those evaluations were performed by RLW Analytics in 2007 and I believe were submitted to the PSC. If you do not have a copy as part of the record, please let me know and we will contact the Companies to get copies for you.

VERIFICATION

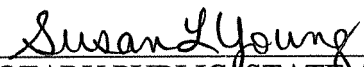
I have read the foregoing Responses and they are true and correct to the best of my knowledge and belief.



THOMAS "KIP" BOWMAR

Subscribed and sworn to before me by Thomas "Kip" Bowmar on this the 2nd day of December, 2008.

My commission expires: 5/12/10



NOTARY PUBLIC, STATE AT LARGE


JOE F. CHILDERS

GETTY & CHILDERS, PLLC
1900 Lexington Financial Center
250 West Main Street
Lexington, KY. 40507
(859) 259-1900

ATTORNEY FOR CAK AND CAC

CERTIFICATE OF SERVICE

I hereby certify that a true copy of the foregoing document has been served on the following persons by United States mail and on counsel for each party by e-mail on this the 3rd day of December, 2008:

Lonnie E. Bellar
Vice President – State Regulation
E.ON U.S. Services, Inc.
220 West Main Street
Louisville, Kentucky 40202

Hon. Michael L. Kurtz
Attorney at Law
Boehm, Kurtz & Lowry
36 East Seventh Street, Suite 1510
Cincinnati, Ohio 45202

Hon. Dennis G. Howard, II
Assistant Attorney General
Office of the Attorney General
1024 Capitol Center Drive, Suite 200
Frankfort, Kentucky 40601

Hon. Lisa Kilkelly
Legal Aid Society
416 West Muhammad Ali Boulevard
Suite 300
Louisville, Kentucky 40202

Allyson K. Sturgeon
Senior Corporate Attorney
E.ON U.S. LLC
220 West Main Street
Louisville, Kentucky 40202

Robert M. Watt III
Stoll Keenon Ogden PLLC
300 West Vine Street, Suite 2100
Lexington, Kentucky 40507-1801

Kendrick R. Riggs
W. Duncan Crosby III
Stoll Kennon Ogden PLLC
2000 PNC Plaza
500 West Jefferson Street
Louisville, Kentucky 40202-2828

David C. Brown
Stites & Harbison, PLLC
400 West Market Street, Suite 1800
Louisville, KY 40202


JOE F. CHILDERS