

COMMONWEALTH OF KENTUCKY
BEFORE THE PUBLIC SERVICE COMMISSION

In the Matter of:

APPLICATION OF KENTUCKY UTILITIES COMPANY)
FOR AN ORDER APPROVING THE ESTABLISHMENT) CASE NO.
OF A REGULATORY ASSET) 2008-00457

SUPPLEMENTAL DATA REQUEST OF COMMISSION STAFF
TO KENTUCKY UTILITIES COMPANY

Kentucky Utilities Company ("KU"), pursuant to 807 KAR 5:001, is to file with the Commission the original and 7 copies of the following information, with a copy to all parties of record. The information requested herein is due no later than December 4, 2008. Responses to requests for information shall be appropriately bound, tabbed and indexed. Each response shall include the name of the witness responsible for responding to the questions related to the information provided.

Each response shall be answered under oath or, for representatives of a public or private corporation or a partnership or association or a governmental agency, be accompanied by a signed certification of the preparer or the person supervising the preparation of the response on behalf of the entity that the response is true and accurate to the best of that person's knowledge, information, and belief formed after a reasonable inquiry.

KU shall make timely amendment to any prior responses if it obtains information which indicates that the response was incorrect when made or, though correct when made, is now incorrect in any material respect. For any request to which KU fails or

refuses to furnish all or part of the requested information, it shall provide a written explanation of the specific grounds for its failure to completely and precisely respond.

Careful attention shall be given to copied material to ensure that it is legible. When the requested information has been previously provided in this proceeding in the requested format, reference may be made to the specific location of that information in responding to this request. When applicable, the requested information shall be separately provided for total company operations and jurisdictional operations.

1. Refer to KU's response to Item 2 of the Commission Staff's ("Staff") initial data request ("Staff's first request").

a. Explain why the reason cited in the first paragraph of the response, the magnitude of the Hurricane Ike damage and related service restoration costs, is relevant to whether the costs are considered for recovery in KU's pending rate case as compared to a future rate case.

b. Explain why the reason cited in the second paragraph of the response, that there are no more Hurricane Ike-related expenses to be incurred, is relevant to whether KU's service restoration costs are considered for recovery in its pending rate case as compared to a future rate case.

c. The reason cited in the third paragraph of the response concerns providing equity from a timing perspective so that "[t]he customers who benefited from the repair of Hurricane Ike's damages will help pay for those benefits." Explain why, given this reasoning, KU has indicated that it plans to propose that its Hurricane Ike costs be amortized over three years rather than a shorter amortization period.

d. Explain why the reason cited in the fourth paragraph of the response, that the Hurricane Ike-related expenses were incurred during a capital-intensive construction program and while a slumping economy greatly restricted access

to capital, is relevant to whether KU's service restoration costs are considered for recovery in its pending rate case as compared to a future rate case.

e. The reason cited in the fifth paragraph of the response appears to address the issue of gradualism as it relates to increases in rates. Clarify whether the last sentence of the paragraph refers to a "[h]igher change in base rates" in a future KU rate case as opposed to its pending rate case.

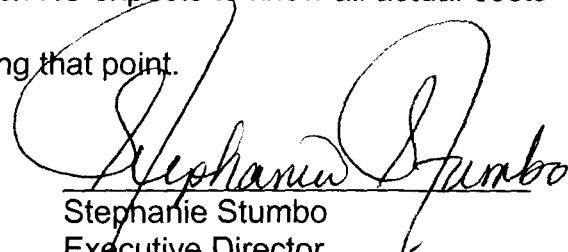
2. Refer to KU's response to Item 3.b. of Staff's first request, which includes a 12-month jurisdictional income statement for the period ended September 30, 2008.

a. The request called for a 12-month jurisdictional income statement and a 2008 calendar year-to-date jurisdictional statement. Provide the 2008 year-to-date income statement originally requested.

b. Provide 12-month and calendar year-to-date jurisdictional KU income statements for the periods ended September 30, 2005, 2006, and 2007.

c. Provide KU's balance sheet as of September 30, 2008.

3. Refer to parts c. and d. of the response to Item 4 of Staff's first request, which emphasize that KU will only seek recovery of actual costs and not for estimates or contingencies. Identify the point in time by which KU expects to know all actual costs and describe what steps will be involved in reaching that point.



Stephanie Stumbo
Executive Director
Public Service Commission
P. O. Box 615
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DATED NOVEMBER 26, 2008

cc: All Parties

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