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Mr. Jeff DeRouen
Executive Director
Kentucky Public Service Commission
211 Sower Boulevard
Frankfort, KY 40602

RECEIVED
JUL 17 2009
PUBLIC SERVICE
COMMISSION

Kentucky Utilities Company
State Regulation and Rates
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July 17, 2009

**RE: *APPLICATION OF KENTUCKY UTILITIES COMPANY FOR AN
ORDER APPROVING THE ESTABLISHMENT OF A
REGULATORY ASSET
CASE NO. 2009-00174***

Dear Mr. DeRouen:

Please find enclosed and accept for filing the original and seven (7) copies of the Updated Response of Kentucky Utilities Company to the Second Data Request, Question No. 1, of Commission Staff dated June 26, 2009, in the above-referenced matter.

Should you have any questions concerning the enclosed, please contact me at your convenience.

Sincerely,

Rick E. Lovekamp

Enclosures

cc: Parties of Record

COMMONWEALTH OF KENTUCKY
BEFORE THE PUBLIC SERVICE COMMISSION

In the Matter of:

APPLICATION OF KENTUCKY UTILITIES COMPANY)
FOR AN ORDER APPROVING THE) **CASE NO.**
ESTABLISHMENT OF A REGULATORY ASSET) **2009-00174**

UPDATED RESPONSE TO RESPONSE OF
KENTUCKY UTILITIES COMPANY
TO
SECOND DATA REQUEST OF COMMISSION STAFF
QUESTION NO. 1
DATED JUNE 26, 2009

FILED: JULY 17, 2009

VERIFICATION

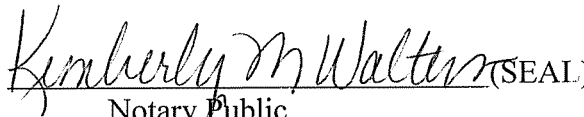
STATE OF KENTUCKY)
) SS:
COUNTY OF JEFFERSON)

The undersigned, **Valerie L. Scott**, being duly sworn, deposes and says she is Controller for Kentucky Utilities Company, that she has personal knowledge of the matters set forth in the responses for which she is identified as the witness, and the answers contained therein are true and correct to the best of her information, knowledge and belief.



VALERIE L. SCOTT

Subscribed and sworn to before me, a Notary Public in and before said County and State, this 17 day of July, 2009.



Notary Public (SEAL)

My Commission Expires:

9/11/2012

KENTUCKY UTILITIES COMPANY

**Updated Response to Second Data Request of Commission Staff
Dated June 26, 2009**

Case No. 2009-00174

Question No. 1

Witness: Chris Hermann / Valerie L. Scott

- Q-1. Refer to the response to Item 3.a of the Commission Staff's Initial Data Request ("Staff's First Request"). Provide an update of actual costs, estimated costs, and contingencies through the most recent date for which the information is available as of the due date for the response to this request.
- A-1. See attached. The updated actual costs, revised estimates, and remaining contingencies are provided as of June 30, 2009.

2009 Winter Storm Restoration Cost Detail - Combined Distribution & Transmission

KU 2009 Winter Storm Restoration Estimate Detail Summary					
	June 30th Year-to-Date		Totals	Estimated Remaining Costs	Total KU Operating Expenses
	Actuals	Estimated Costs Incurred			
Internal Labor LGE	496,342	-	496,342	-	496,342
Internal Labor KU	5,746,551	-	5,746,551	-	5,746,551
Internal Labor SERVCO	671,443	-	671,443	-	671,443
Subtotal Employee Labor	6,914,337	-	6,914,337	-	6,914,337
Lineman Contractors	27,702,611	1,302,689	29,005,299	-	29,005,299
Tree Trimming Contractors	7,626,843	24,228	7,651,071	-	7,651,071
PSRT Contractors	913,450	20,000	933,450	-	933,450
Call Center Contractors	213,369	-	213,369	-	213,369
Staging Area Contractors	4,255,733	5,780,118	10,035,851	-	10,035,851
Oil Spill Contractors	770,570	-	770,570	-	770,570
All Other Contractors	245,510	-	245,510	-	245,510
Subtotal Contractors	41,728,086	7,127,034	48,855,121	-	48,855,121
Materials ¹	415,392	-	415,392	-	415,392
Miscellaneous	3,481,200	-	3,481,200	-	3,481,200
Contingency	-	24,071	24,071	4,500,636	4,524,707
Total Storm Cost total	52,539,015	7,151,106	59,690,121	4,500,636	64,190,757

¹Reflects reversal of a credit (\$17K) not related to KU Storm Restoration that will be made during July.

Estimated Amount considered Normal Operations:

Contractor Resource Costs - PSRT	(150,774)
Contractor Resource Costs - Operations	(25,326)
Contractor Resource Costs - Call Center	(37,000)
Internal Employee Resource Costs - KU Labor/Transportation charged to LG&E	(14,916)
Internal Employee Resource Costs - Servco Labor/Transportation charged to LG&E	(236,640)
Internal Employee Resource Costs - KU Labor/Transportation charged to KU	(1,467,032)
Internal Employee Resource Costs - Servco Labor/Transportation charged to KU	(345,718)
Total Estimated Amount considered Normal Operation:	(2,277,407)

Total Regulatory Asset Reclass for PSC
61,913,350