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February 19, 2010

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PUBLIC SERVICE  
COMMISSION

**VIA HAND DELIVERY**

Jeff DeRouen  
Executive Director  
Kentucky Public Service Commission  
211 Sower Boulevard  
Frankfort, KY 40601

**RE: Louisville Gas and Electric Company and Kentucky Utilities Company 2009**  
**Application for Approval of Purchased Power Agreements and Recovery of**  
**Associated Costs**  
**Case No. 2009-00353**

Dear Mr. DeRouen:

Please find enclosed and accept for filing the original and ten copies of the Data Requests of Louisville Gas and Electric Company and Kentucky Utilities Company to Joint Intervenors Attorney General and Kentucky Industrial Utility Customers, Inc. in the above-referenced matter. Please confirm your receipt of this filing 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 do not hesitate to contact me.

Yours very truly,

W. Duncan Crosby III

WDC:ec  
Enclosures as mentioned  
cc: Parties of Record

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**COMMONWEALTH OF KENTUCKY**  
**BEFORE THE PUBLIC SERVICE COMMISSION**

**In re the Matter of:**

<b>LOUISVILLE GAS AND ELECTRIC</b>	)	
<b>COMPANY AND KENTUCKY UTILITIES</b>	)	
<b>COMPANY 2009 APPLICATION FOR</b>	)	
<b>APPROVAL OF PURCHASED POWER</b>	)	<b>CASE NO. 2009-00353</b>
<b>AGREEMENTS AND RECOVERY OF</b>	)	
<b>ASSOCIATED COSTS</b>	)	

**DATA REQUESTS OF LOUISVILLE GAS AND  
ELECTRIC COMPANY AND KENTUCKY UTILITIES  
COMPANY TO JOINT INTERVENORS, ATTORNEY GENERAL  
AND KENTUCKY INDUSTRIAL UTILITY CUSTOMERS, INC.**

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”) and the Kentucky Industrial Utility Customers, Inc. (“KIUC”) (collectively, “Joint Intervenors”), to be answered by March 1, 2010, as the Commission specified in its November 25, 2009 Order in this proceeding.

**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 Joint Intervenors, their witness, or counsel.
2. Please identify by name, title, position, and responsibility the person or persons answering each of these data requests.
3. These requests shall be deemed continuing so as to require further and supplemental responses if the Joint Intervenors receive or generate 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 that would not be self-evident to a person not familiar with the document or file.

6. If the Joint Intervenors have objections to any request on the ground 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; and 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 Joint Intervenors or their witness, 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 such a document was 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 3 of his testimony on the Joint Intervenors' behalf, Lane Kollen states, "The approval of these contracts would result in rates that are not just and reasonable and that are based on an imprudent selection of supply side resource options." Given that the Companies' stated goal was to find the most cost-effective *renewable* resource available to them, please state in detail what about using a nation-wide request-for-proposals process to achieve that end was "imprudent."
  
2. Mr. Kollen states on page 3 of his testimony, "The Companies admit that there is no federal or state renewables portfolio standard [RPS] or mandate that overrides the basic ratemaking requirement to select the least cost supply side resource options." He further state on page 5, "There is significant uncertainty as to whether there ever will be a federal or Kentucky legislative mandate to acquire such resources ...."
  - (a) Does Mr. Kollen acknowledge that the U.S. House of Representatives passed the Waxman-Markey bill, HR 2454, on June 26, 2009, which calls for a 4.5% renewable energy requirement in 2012, climbing to a 15% renewable energy requirement by 2020?<sup>1</sup>
  
  - (b) Does Mr. Kollen acknowledge that 29 states and the District of Columbia have an RPS, and that six additional states have non-binding renewable energy goals?<sup>2</sup>
  
  - (c) Does Mr. Kollen acknowledge that of the states near Kentucky, Ohio, Illinois, Missouri, Virginia, North Carolina, and Pennsylvania all have RPSes?<sup>3</sup>
  
  - (d) Does Mr. Kollen acknowledge that in November 2008, Governor Steven L. Beshear, with the advice and assistance of the Energy and Environment Cabinet, released a report entitled *Intelligent Energy Choices for Kentucky's Future: Kentucky's 7-Point Strategy for Energy Independence*, which proposed a Renewable and Efficiency Portfolio Standard ("REPS") whereby 25 percent of Kentucky's energy needs in 2025 would be met by reductions through energy efficiency and conservation and through use of renewable resources?
  
  - (e) Does Mr. Kollen acknowledge that during the 2009 legislative session, a bill was proposed in the Kentucky General Assembly that would have codified this standard: "A Kentucky Renewable and Efficiency Portfolio Standard (REPS) is established whereby twenty-five percent (25%) of Kentucky's projected energy demand for the year 2025 shall be derived

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<sup>1</sup> See H.R. 2454 , 111th Cong. (2009).

<sup>2</sup> [http://www.dsireusa.org/documents/summarymaps/RPS\\_map.ppt](http://www.dsireusa.org/documents/summarymaps/RPS_map.ppt).

<sup>3</sup> *Kentucky Needs a Renewable Portfolio Standard*, October 1, 2008, Tom Kimmerer.

from energy efficiency measures, conservation, renewable energy, and biofuels.”<sup>4</sup>

(f) Is Mr. Kollen aware that on February 9, 2010, Rep. Moberly introduced in the Kentucky House of Representatives a bill concerning renewable energy and related matters (HB 408)? Is Mr. Kollen aware that the bill contains a Renewable Energy Portfolio requirement of 2% in 2012, which would climb to 10.5% by 2020, and then increase 1% each year thereafter?

3. On page 3 of his testimony, Mr. Kollen states: “[T]he Companies assumed that ... the wind power purchased power agreements would reduce ... assumed CO<sub>2</sub> costs by \$34.0 million. This is an invalid savings in the absence of federal legislation or regulation of CO<sub>2</sub>.”

(a) Is Mr. Kollen aware that on December 7, 2009, the U.S. EPA Administrator issued an endangerment finding concerning greenhouse gasses (“GHGs”), including CO<sub>2</sub>, as part of promulgating a rule concerning emissions from light-use vehicles?

(b) Is Mr. Kollen aware that a reason the Administrator cited for promulgating a rule concerning such vehicles is the percentage of overall GHGs they emit?

(c) Is Mr. Kollen aware that EPA data from 1990-2007 shows that electricity generation is responsible for a significantly larger amount of overall CO<sub>2</sub> emissions in America than is transportation?<sup>5</sup>

(d) Given the EPA’s endangerment finding, does Mr. Kollen agree that it is not unreasonable to believe that a federal or state CO<sub>2</sub> emission restriction regime will exist in the next 20 years? If not, please state in detail why he disagrees, citing to recent and relevant legislative or regulatory development(s), if any exist, to support his position.

<sup>4</sup> Kentucky General Assembly, 09 RS HB 537/GA.

<sup>5</sup>

**Table ES-2: Recent Trends in U.S. Greenhouse Gas Emissions and Sinks (Tg CO<sub>2</sub> Eq.)**

Gas/Source	1990	1995	2000	2005	2006	2007
CO <sub>2</sub>	5,076.7	5,407.9	5,955.2	6,090.8	6,014.9	6,103.4
Fossil Fuel Combustion	4,708.9	5,013.9	5,561.5	5,723.5	5,635.4	5,735.8
Electricity Generation	1,809.7	1,938.9	2,283.2	2,381.0	2,327.3	2,397.2
Transportation	1,484.5	1,598.7	1,800.3	1,881.5	1,880.9	1,887.4

Source: <http://www.epa.gov/climatechange/emissions/downloads09/GHG2007-ES-508.pdf>.

Dated: February 19, 2010

Respectfully submitted,



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Counsel for Louisville Gas and Electric  
Company and Kentucky Utilities Company

**CERTIFICATE OF SERVICE**

The undersigned hereby certifies that a true and correct copy of the foregoing Data Requests of Louisville Gas and Electric Company and Kentucky Utilities Company to Joint Intervenors, Attorney General and Kentucky Industrial Utility Customers, Inc. was served on the following persons on the 19th day of February, 2010, United States mail, postage prepaid:

Michael L. Kurtz  
Boehm Kurtz & Lowry  
36 East Seventh Street  
Suite 1510  
Cincinnati, OH 45202

Dennis Howard, II  
Office of the Attorney General  
Office of Rate Intervention  
1024 Capital Center Drive, Suite 200  
Frankfort, KY 40601



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Counsel for Louisville Gas and Electric  
Company and Kentucky Utilities Company