



an e-on company

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

RECEIVED

FEB 25 2010

PUBLIC SERVICE
COMMISSION

**Louisville Gas and
Electric Company**
State Regulation and Rates
220 West Main Street
PO Box 32010
Louisville, Kentucky 40232
www.eon-us.com

Robert M. Conroy
Director - Rates
T 502-627-3324
F 502-627-3213
robert.conroy@eon-us.com

February 25, 2010

RE: APPLICATION OF LOUISVILLE GAS AND ELECTRIC
COMPANY FOR AN ADJUSTMENT OF ITS ELECTRIC AND GAS
BASE RATES - Case No. 2009-00549

Dear Mr. DeRouen:

On February 16, 2010, in the above-referenced proceeding, Louisville Gas and Electric Company ("LG&E") filed initial responses to the First Data Request of Commission Staff dated January 19, 2010. It has come to my attention that KU inadvertently failed to provide copies of invoices as requested in Question No. 57(a).

Enclosed please find and accept for filing the original and ten (10) copies of the Response to Question No. 57(a) in the above reference matter with the requested information.

Please confirm your receipt of these documents by placing the File Stamp of your Office on the enclosed additional copy.

If you have any questions about this filing, please contact me.

Sincerely,

Robert M. Conroy

Enclosures

cc: Parties of Record

LOUISVILLE GAS AND ELECTRIC COMPANY

CASE NO. 2009-00549

**Response to First Data Request of Commission Staff
Dated January 19, 2010**

Question No. 57

Responding Witness: Shannon L. Charnas

Q-57. Provide the following information concerning the costs for the preparation of this case:

a. A detailed schedule of expenses incurred to date for the following categories:

- (1) Accounting;
- (2) Engineering;
- (3) Legal;
- (4) Consultants; and
- (5) Other Expenses (Identify separately).

For each category, the schedule should include the date of each transaction, check number or other document reference, the vendor, the hours worked, the rates per hour, amount, a description of the services performed, and the account number in which the expenditure was recorded. Provide copies of any invoices, contracts, or other documentation that support charges incurred in the preparation of this rate case. Indicate any costs incurred for this case that occurred during the test year.

- b. An itemized estimate of the total cost to be incurred for this case. Expenses should be broken down into the same categories as identified in (a) above, with an estimate of the hours to be worked and the rates per hour. Include a detailed explanation of how the estimate was determined, along with all supporting workpapers and calculations.
- c. During the course of this proceeding, provide monthly updates of the actual costs incurred, in the manner requested in (a) above. Updates will be due the last business day of each month, through the month of the public hearing.

A-57. a. See attached.

b. See attached.

c. The Company will provide monthly updates as requested.

LOUISVILLE GAS AND ELECTRIC COMPANY

CASE NO. 2009-00549

Schedule of Rate Case Preparation Costs

Response to Commission's Order

Dated January 19, 2010

Question No. 57(a)

Responding Witness: Shannon L. Charnas

| Date | Invoice # | Vendor Name | Hours (2) | Rate/Hr | Amount | Description | Account |
|-----------|--------------|--|-----------|---------|------------------|--|--|
| 28-Oct-09 | 631257 | STOLL KEENON OGDEN PLLC | 14.06 | 232.08 | 3,261.95 | PROFESSIONAL SERVICES | 0100.303.008930.026900.186021.0000.0321.0000 |
| 16-Nov-09 | 634759 | STOLL KEENON OGDEN PLLC | 46.01 | 220.79 | 10,159.38 | PROFESSIONAL SERVICES | 0100.303.008930.026900.186021.0000.0321.0000 |
| 8-Dec-09 | 636756 | STOLL KEENON OGDEN PLLC | 89.93 | 229.55 | 20,643.35 | PROFESSIONAL SERVICES | 0100.303.008930.026900.186021.0000.0321.0000 |
| | | SUBTOTAL LEGAL OUTSIDE COUNSEL LG&E ELECTRIC | | | 34,064.68 | | |
| | | TOTAL LEGAL OUTSIDE COUNSEL LG&E ELECTRIC | | | 34,064.68 | | |
| 2-Nov-09 | 2009111 | THE PRIME GROUP LLC | 2.86 | 200.00 | 572.40 | Cost of service and rate design development | 0100.303.008960.021440.186021.0000.0305.0000 |
| 7-Dec-09 | 134010009442 | MERCER US INC | (1) | (1) | 5,033.30 | Pension, post-retirement and post-employment projections | 0100.303.008960.025680.186021.0000.0305.0000 |
| | | SUBTOTAL CONSULTANTS LG&E ELECTRIC | | | 5,605.70 | | |
| | | TOTAL CONSULTANTS LG&E ELECTRIC | | | 5,605.70 | | |
| | | TOTAL LG&E ELECTRIC | | | 39,670.38 | | |
| 28-Oct-09 | 631257 | STOLL KEENON OGDEN PLLC | 8.04 | 232.08 | 1,866.91 | PROFESSIONAL SERVICES | 0100.503.008930.026900.186022.0000.0321.0000 |
| 16-Nov-09 | 634759 | STOLL KEENON OGDEN PLLC | 26.33 | 220.79 | 5,814.49 | PROFESSIONAL SERVICES | 0100.503.008930.026900.186022.0000.0321.0000 |
| 8-Dec-09 | 636756 | STOLL KEENON OGDEN PLLC | 51.47 | 229.55 | 11,814.74 | PROFESSIONAL SERVICES | 0100.503.008930.026900.186022.0000.0321.0000 |
| | | SUBTOTAL LEGAL OUTSIDE COUNSEL LG&E GAS | | | 19,496.14 | | |
| | | TOTAL LEGAL OUTSIDE COUNSEL LG&E GAS | | | 19,496.14 | | |
| 2-Nov-09 | 2009111 | THE PRIME GROUP LLC | 1.64 | 200.00 | 327.60 | Cost of service and rate design development | 0100.503.008960.025680.186022.0000.0305.0000 |
| 7-Dec-09 | 134010009442 | MERCER US INC | (1) | (1) | 2,880.70 | Pension, post-retirement and post-employment projections | 0100.503.008960.025680.186022.0000.0305.0000 |
| | | SUBTOTAL CONSULTANTS LG&E GAS | | | 3,208.30 | | |
| | | TOTAL CONSULTANTS LG&E GAS | | | 3,208.30 | | |
| | | TOTAL LG&E GAS | | | 22,704.44 | | |
| | | TOTAL RATE CASE EXPENSES @ 12/31/2009 | | | 62,374.82 | | |

Note (1) - Rate per hour and total hours information is not available from this vendor.

Stoll Keenon Ogden PLLC
 2000 PNC Plaza
 500 West Jefferson Street
 Louisville, Kentucky 40202-2828
 502 333-6000
 Tax ID # 61-0421389

E.ON U.S. LLC
 Attn: Dorothy E O'Brien
 220 West Main Street
 Louisville, KY 40202

October 28, 2009
 Invoice #: 631257
 Account #: 400001/134411

Please send your payment by November 27, 2009 to Stoll Keenon Ogden PLLC at:
 P.O. Box 11969
 Lexington, KY 40579-1969

Re: 2009 KY Base Rate Case
 Your Reference: Responsible Attorney: Allyson Sturgeon
 eCounsel No. 95126

*Matter No.
 95126*

| | |
|--|---------------------|
| Fees rendered this bill | \$ 11,248.00 |
| Less E.ON special discount | \$-1,124.80 |
| Disbursements | \$ 134.52 |
| Total Current Charges This Matter | \$ 10,257.72 |

| | |
|---|---------------------|
| Estimate of 2009 Legal Fees and Disbursements/Expenses | \$302,500.00 |
| 2009 Cumulative Billed To Date | \$21,416.82 |
| Variance Over/(Under) | (\$281,083.18) |
| Cumulative Value to Client of 2009 SKO Billing Adjustments | (\$2,994.70) |

| | | | | | | |
|--------|-------------------|----------------|------|----------|--------------------|---------|
| 125973 | +23395 | KU RATECASE | 0321 | 026900 = | 5949.48 | 5128.86 |
| 25974 | +23396 | LGE RATECASE-E | 0321 | 026900 = | 3179.89 | 3261.95 |
| 125975 | +23400 | LGE RATECASE-G | 0321 | 026900 = | 1128.35 | 1866.91 |
| | | | | | <u>10257.72</u> | |

Keep this copy for your records.

E.ON U.S. LLC

Stoll Keenon Ogden PLLC
Invoice No. 631257

Professional Services for the period through 09/30/09, including the following:

Re: 2009 KY Base Rate Case
Your Reference: Responsible Attorney: Allyson Sturgeon
eCounsel No. 95126

Our Reference: 400001/134411/KRR/1016

| <u>Date</u> | <u>Description</u> | <u>Tkpr</u> | <u>Hours</u> |
|-------------|---|-------------|--------------|
| 09/01/09 | Analysis of regulatory issues. | KRR | 1.00 |
| 09/01/09 | Research for, and draft of, memo re KPSC, FERC, and IRS authorities on when depreciation begins for a new generating unit. | WDC | 9.30 |
| 09/03/09 | Attend meetings at E.ON re 2009 rate case; analysis of regulatory issues. | KRR | 5.50 |
| 09/03/09 | Research for, and revisions to, memo re depreciating a new generating unit (KPSC, FERC, IRS). | WDC | 5.10 |
| 09/04/09 | Research re test energy accounting. | WDC | 4.30 |
| 09/08/09 | Research re test energy accounting for Ms. Sturgeon. | WDC | 2.30 |
| 09/09/09 | Draft high level testimony outline. | SKA | 2.00 |
| 09/10/09 | Draft testimony overview. | SKA | 0.30 |
| 09/11/09 | Revisions to outline of testimony. | WDC | 0.60 |
| 09/14/09 | Review, edit and send memo re issues for direct testimony of rate case witnesses to Ms. Sturgeon. | KRR | 1.00 |
| 09/18/09 | Receive and review data requests on TC2 depreciation rate cases. | KRR | 0.20 |
| 09/22/09 | Attention to TC2 depreciation rate data responses. | KRR | 0.20 |
| 09/23/09 | Review of TC2 depreciation data responses. | WDC | 1.00 |
| 09/24/09 | Meeting at E.ON re joint use assets; discussion with Ms. Sturgeon thereafter. | WDC | 1.70 |
| 09/25/09 | Review, edit and comment on draft data responses for TC2 depreciation rate issues; attention to potential testimony issues. | KRR | 3.00 |
| 09/28/09 | Attention to regulatory issues. | KRR | 1.00 |
| 09/30/09 | Research for, and draft of, memo for Ms. Sturgeon re IMEA and IMPA ownership rights in TC Station. | WDC | 5.70 |

Total Services

\$11,248.00

Keep this copy for your records.

Stoll Keenon Ogden PLLC

Invoice No. 631257

E ON U.S. LLC

Summary of Services

| <u>Init</u> | <u>Timekeeper</u> | <u>Hours</u> | <u>Rate</u> | <u>Value</u> |
|-------------|-----------------------|--------------|-------------|--------------------|
| KRR | Riggs, Kendrick R. | 11.90 | 350.00 | 4,165.00 |
| WDC | Crosby III, W D | 30.00 | 220.00 | 6,600.00 |
| SKA | Adams, Sarah K. M. | 2.30 | 210.00 | 483.00 |
| | Total Services | 44.20 | | \$11,248.00 |

Disbursements

| <u>Date</u> | <u>Description</u> | <u>Tkpr</u> | <u>Amount</u> |
|-------------|----------------------------|-------------|-----------------|
| 09/01/09 | Lexis Charges | WDC | \$82.64 |
| 09/03/09 | Lexis Charges | WDC | \$21.67 |
| 09/04/09 | Lexis Charges | WDC | \$17.30 |
| 09/17/09 | Lexis Charges | WDC | \$1.43 |
| 09/18/09 | Lexis Charges | WDC | \$2.82 |
| 09/30/09 | Lexis Charges | WDC | \$8.66 |
| | Total Disbursements | | \$134.52 |

Summary of Disbursements

| <u>Disb Code</u> | <u>Description</u> | <u>Amt</u> |
|------------------|----------------------------|-----------------|
| 054 | Lexis Charges | \$134.52 |
| | Total Disbursements | \$134.52 |

| | |
|--|--------------------|
| TOTAL FEES & DISBURSEMENTS | \$11,382.52 |
| LESS DISCOUNT | \$-1,124.80 |
| Total Current Charges This Matter | \$10,257.72 |

Keep this copy for your records.

Stoll Keenon Ogden PLLC
 2000 PNC Plaza
 500 West Jefferson Street
 Louisville, Kentucky 40202-2828
 502 333-6000
 Tax ID # 61-0421389

NOV 18 2009

E.ON U.S. LLC
 Attn: Dorothy E O'Brien
 220 West Main Street
 Louisville, KY 40202

November 16, 2009
 Invoice #: 634759
 Account #: 400001/134411

Please send your payment by December 16, 2009 to Stoll Keenon Ogden PLLC at:
 P.O. Box 11969
 Lexington, KY 40579-1969

27744

Re: 2009 KY Base Rate Case
 Your Reference: Responsible Attorney: Allyson Sturgeon
 eCounsel No. 95126

| | |
|--|---------------------|
| Fees rendered this bill | \$ 35,270.00 |
| Less E.ON special discount | \$-3,527.00 |
| Disbursements | \$ 204.73 |
| Total Current Charges This Matter | \$ 31,947.73 |

| | | | | | |
|--------|-------------------|------------------|------|------------------------------|----------|
| 25978 | 123395 | KU RATECASE 2010 | 0321 | 026900 = 18529.68 | 15973.86 |
| 125975 | 123396 | LGE RC-EL 2010 | 0321 | 026900 = 9903.80 | 10159.28 |
| 126974 | 123400 | LGE RC-GS 2010 | 0321 | 026900 = 3514.25 | 5814.49 |
| | | | | <u>31947.73</u> | |

E ON U.S. LLC

Stoll Keenon Ogden PLLC
Invoice No. 634759

Professional Services for the period through 10/31/09, including the following:

Re: 2009 KY Base Rate Case
Your Reference: Responsible Attorney: Allyson Sturgeon
eCounsel No. 95126

Our Reference: 400001/134411/KRR/1016

| <u>Date</u> | <u>Description</u> | <u>Tkpr</u> | <u>Hours</u> |
|-------------|--|-------------|--------------|
| 10/02/09 | Analysis of regulatory issues for filing of case. | KRR | 2.00 |
| 10/02/09 | Began reading former testimony to prepare for testimony Kickoff Meetings | MLB | 1.60 |
| 10/06/09 | Prepare for and attend meeting at E.ON to prepare Thompson testimony; follow-up on same; telephone conference with Ms. Sturgeon re TC2 cost allocation issues; analysis of same. | KRR | 4.00 |
| 10/06/09 | Attended Thompson Testimony kickoff meeting; begin preparing detailed outline of Thompson's testimony | MLB | 2.50 |
| 10/07/09 | Review memorandum and transfer document regarding transfer of Joint Use Assets; research regarding transfer and security interest issues. | JWH | 2.10 |
| 10/07/09 | Work on testimony; telephone conference with Ms. Sturgeon and others re allocation of TC2 property and regulatory issues. | KRR | 2.00 |
| 10/07/09 | Attended Hermann Testimony kickoff meeting; work on Mr. Thompson's and Mr. Hermann's detailed testimony outlines | MLB | 6.90 |
| 10/07/09 | Travel to and from Louisville; attend meeting re Hermann testimony. | RMW | 4.00 |
| 10/08/09 | Review analysis of Joint Use Assets re TC2; analysis of TC1 and TC2 participation agreements. | JWH | 6.40 |
| 10/08/09 | Work on TC2 cost allocation issues; work on testimony issues; work on TC2 depreciation issues. | KRR | 2.50 |
| 10/08/09 | Drafted Mr. Thompson and Mr. Hermann's detailed testimony outlines | MLB | 3.40 |
| 10/08/09 | Work on TC2 fixture and transfer issues. | TLS | 0.80 |
| 10/09/09 | Review of Participation Agreements for Trimble City Units 1 and 2; review and research issues concerning Joint Use Assets. | JWH | 4.80 |
| 10/09/09 | Attention to regulatory issues and testimony. | KRR | 0.50 |
| 10/09/09 | Analysis re TC2 issues. | TLS | 0.20 |
| 10/11/09 | Attention to emails re regulatory issues. | KRR | 0.20 |
| 10/12/09 | Analysis of Joint Use Assets and preparation of memorandum re same. | JWH | 5.40 |

Keep this copy for your records.

E.ON U.S. LLC

Stoll Keenon Ogden PLLC
Invoice No. 634759

| <u>Date</u> | <u>Description</u> | <u>Tkpr</u> | <u>Hours</u> |
|-------------|---|-------------|--------------|
| 10/12/09 | Attention to emails and outlines to client re testimony of executives. | KRR | 0.50 |
| 10/12/09 | Completed drafting Thompson and Hermann detailed testimony outlines; began reviewing Staffieri testimony from prior rate case. | MLB | 3.40 |
| 10/13/09 | Review of Trimble County Participation Agreements and prepare memorandum regarding Joint Use Assets. | JWH | 4.60 |
| 10/13/09 | Reviewed revisions to Hermann outline; reviewed documents that will be used in Thompson testimony | MLB | 2.60 |
| 10/14/09 | Review documents that are necessary to the Thompson and Hermann testimony | MLB | 3.20 |
| 10/15/09 | Review of Participation Agreements and preparation of memo and spreadsheet; research regarding regulatory issues. | JWH | 3.90 |
| 10/15/09 | Analysis of TC2 allocation issues; work on testimony. | KRR | 2.50 |
| 10/15/09 | Began drafting Thompson testimony; compiled list of information still needed for Thompson and Hermann testimony | MLB | 6.60 |
| 10/16/09 | Review and comment on draft depreciation data responses; review requests for information on rate case testimony and send same to Ms. Sturgeon; begin work on draft petition for confidential treatment. | KRR | 2.50 |
| 10/16/09 | Continued drafting Thompson testimony and reviewing documents for testimony | MLB | 5.40 |
| 10/17/09 | Draft petition for confidential treatment and send to Ms. Sturgeon and others for review. | KRR | 2.00 |
| 10/19/09 | Continued reviewing documents necessary for Thompson testimony; continued drafting Thompson testimony | MLB | 7.40 |
| 10/19/09 | Draft of rate case issues list; review of draft TC2 depreciation DR responses. | WDC | 1.60 |
| 10/20/09 | Work on testimony. | KRR | 2.50 |
| 10/20/09 | Continued reviewing documents for Thompson testimony; drafted Thompson testimony; began work on Hermann testimony | MLB | 3.70 |
| 10/20/09 | Revisions to draft memo of rate case issues. | WDC | 0.70 |
| 10/21/09 | Continued drafting and reviewing documents for Thompson testimony | MLB | 5.10 |
| 10/22/09 | Memoranda regarding ownership of Trimble County Joint Use Facilities. | JWH | 0.30 |
| 10/22/09 | Continued drafting Thompson testimony and reviewing documents necessary for testimony | MLB | 5.70 |
| 10/26/09 | Work on TC2 depreciation issues; work on testimony issues | KRR | 1.50 |

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E.ON U.S. LLC

Stoll Keenon Ogden PLLC

Invoice No. 634759

| <u>Date</u> | <u>Description</u> | <u>Tkpr</u> | <u>Hours</u> |
|-------------|--|-------------|--------------|
| 10/26/09 | Continued work on Thompson testimony | MLB | 0.40 |
| 10/27/09 | Work on Joint Use Assets issues; prepare and send memorandum re same; work on direct case testimony issues. | KRR | 2.60 |
| 10/27/09 | Continued drafting Hermann testimony; conducted research regarding Joint Use Assets issue. | MLB | 6.30 |
| 10/28/09 | Preparation for and attendance at meeting at E.ON re rate case issues. | KRR | 1.00 |
| 10/28/09 | Continued drafting Hermann testimony; research consolidated tax savings issues | MLB | 5.60 |
| 10/29/09 | Continue drafting Thompson and Hermann testimony; research consolidated tax issues | MLB | 7.30 |
| 10/30/09 | Continued drafting Thompson and Hermann testimony; updated Thompson and Hermann outlines; reviewed Scott and Charnas testimony from last rate case | MLB | 6.50 |

Total Services**\$35,270.00****Summary of Services**

| <u>Init</u> | <u>Timekeeper</u> | <u>Hours</u> | <u>Rate</u> | <u>Value</u> |
|-------------|-----------------------|---------------|-------------|--------------------|
| RMW | Watt, R M | 4.00 | 350.00 | 1,400.00 |
| MLB | Braun, Monica | 83.60 | 190.00 | 15,884.00 |
| JWH | Hendricks, J W | 27.50 | 290.00 | 7,975.00 |
| KRR | Riggs, Kendrick R. | 26.30 | 350.00 | 9,205.00 |
| TLS | Schnell, A L | 1.00 | 300.00 | 300.00 |
| WDC | Crosby III, W D | 2.30 | 220.00 | 506.00 |
| | Total Services | 144.70 | | \$35,270.00 |

Disbursements

| <u>Date</u> | <u>Description</u> | <u>Tkpr</u> | <u>Amount</u> |
|-------------|---|-------------|-----------------|
| 10/09/09 | Vesailles - Louisville - 10/07 VENDOR: Watt, Robert M; INVOICE#: 100909; DATE: 10/9/2009 | | \$115.00 |
| 10/28/09 | Westlaw Charges | MLB | \$11.68 |
| 10/29/09 | Lexis Charges | MLB | \$25.76 |
| 10/29/09 | Westlaw Charges | MLB | \$51.34 |
| 10/29/09 | Telephone Expense 1(973)648-3176; 5 Mins. | JLF | \$0.95 |
| | Total Disbursements | | \$204.73 |

Keep this copy for your records.

E.ON U.S. LLC

Stoll Keenon Ogden PLLC
Invoice No. 634759

Summary of Disbursements

| <u>Disb Code</u> | <u>Description</u> | <u>Amt</u> |
|--|---------------------------------------|--------------------|
| 005 | Telephone Expense | \$0.95 |
| 022 | Westlaw Charges | \$63.02 |
| 041 | long distance transportation, mileage | \$115.00 |
| 054 | Lexis Charges | \$25.76 |
| | Total Disbursements | <u>\$204.73</u> |
| TOTAL FEES & DISBURSEMENTS | | \$35,474.73 |
| LESS DISCOUNT | | \$-3,527.00 |
| Total Current Charges This Matter | | \$31,947.73 |

Outstanding Invoices

| <u>Date</u> | <u>Invoice No.</u> | <u>Billed Amount</u> | <u>Payment/Credits</u> | <u>Balance Due</u> |
|---|--------------------|----------------------|------------------------|--------------------|
| 10/28/09 | 631257 | \$ 10,257.72 | \$ 0.00 | \$ 10,257.72 |
| Total Outstanding Invoices This Matter | | | | \$10,257.72 |
| Total Amount Due This Matter | | | | \$42,205.45 |

Keep this copy for your records.

Stoll Keenon Ogden PLLC
2000 PNC Plaza
500 West Jefferson Street
Louisville, Kentucky 40202-2828
502 333-6000
Tax ID # 61-0421389

DEC 8 2009

E.ON U.S. LLC
Attn: Dorothy E O'Brien
220 West Main Street
Louisville, KY 40202

December 8, 2009
Invoice #: 636756
Account #: 400001/134411

Please send your payment by January 7, 2010 to Stoll Keenon Ogden PLLC at:
P.O. Box 11969
Lexington, KY 40579-1969

Re: 2009 KY Base Rate Case
Your Reference: Responsible Attorney: Allyson Sturgeon
eCounsel No. 27749

| | |
|--|---------------------|
| Fees rendered this bill | \$ 71,864.00 |
| Less E.ON special discount | \$-7,186.40 |
| Disbursements | \$ 238.58 |
| Total Current Charges This Matter | \$ 64,916.18 |

| | | | | |
|--------|------------------|------|----------|-----------------|
| 125973 | KU RATECASE 2010 | 0321 | 026900 = | 32458.09 |
| 125974 | LGERC-GS 2010 | 0321 | 026900 = | 11814.74 |
| 125975 | LGERC-EL 2010 | 0321 | 026900 = | 20643.35 |
| | | | | <u>64916.18</u> |

E.ON U.S. LLC

Stoll Keenon Ogden PLLC
Invoice No. 636756

Professional Services for the period through 11/30/09, including the following:

Re: 2009 KY Base Rate Case

Your Reference: Responsible Attorney: Allyson Sturgeon

eCounsel No. 27749

Our Reference: 400001/134411/KRR/1016

| <u>Date</u> | <u>Description</u> | <u>Tkpr</u> | <u>Hours</u> |
|-------------|---|-------------|--------------|
| 11/02/09 | Attention to testimony issues. | KRR | 0.40 |
| 11/02/09 | Continued drafting Thompson and Hermann testimony and reviewing documents necessary for the testimony | MLB | 6.50 |
| 11/03/09 | Review and analysis of KIUC testimony on depreciation issues. | KRR | 1.00 |
| 11/03/09 | Continued drafting Thompson and Hermann testimony | MLB | 5.50 |
| 11/03/09 | Review of draft testimony outlines and testimony drafts. | WDC | 0.90 |
| 11/04/09 | Work on testimony and rate case issues. | KRR | 7.90 |
| 11/04/09 | Began preparing Scott and Charnas outlines | MLB | 6.80 |
| 11/04/09 | Drafts of testimony outlines. | WDC | 5.10 |
| 11/05/09 | Work on data requests to KIUC re TC2 depreciation; work on testimony issues. | KRR | 3.40 |
| 11/05/09 | Continued drafting Scott and Charnas outlines; drafting Hermann and Staffieri testimony | MLB | 6.20 |
| 11/05/09 | Drafts of testimony outlines. | WDC | 7.30 |
| 11/06/09 | Work on testimony. | KRR | 6.00 |
| 11/06/09 | Drafting Thompson, Scott and Charnas testimony | MLB | 3.70 |
| 11/06/09 | Drafts of, and revisions to, testimony outlines. | WDC | 5.90 |
| 11/08/09 | Drafting Thompson testimony | MLB | 2.90 |
| 11/09/09 | Work on testimony; analysis of joint use assets issues. | KRR | 5.00 |
| 11/09/09 | Continued drafting Thompson and Hermann testimony | MLB | 3.80 |
| 11/09/09 | Revisions to draft testimony; review of joint use asset transfer proposal. | WDC | 2.90 |
| 11/10/09 | Prepare and analyze regarding property transfer issues. | JWH | 1.90 |
| 11/10/09 | Work on testimony; analysis of joint use assets issues. | KRR | 2.50 |
| 11/10/09 | Continued drafting Thompson and Hermann testimony | MLB | 2.80 |
| 11/10/09 | Analysis of status of various matters in rate case; examine and revise Hermann testimony | RMW | 2.50 |

Keep this copy for your records.

E.ON U.S. LLC

Stoll Keenon Ogden PLLC
Invoice No. 636756

| <u>Date</u> | <u>Description</u> | <u>Tkpr</u> | <u>Hours</u> |
|-------------|---|-------------|--------------|
| 11/10/09 | Call with Ms. Sturgeon and Mr. Fendig re TC joint assets; draft of testimony. | WDC | 3.70 |
| 11/11/09 | Preparation of recommendation regarding transfer of Joint Use Assets to KU. | JWH | 3.80 |
| 11/11/09 | Attention to testimony issues. | KRR | 0.60 |
| 11/11/09 | Continued drafting Thompson and Hermann testimony | MLB | 5.40 |
| 11/11/09 | Examine Kollen testimony and data requests in Case No. 2009-00329 | RMW | 1.00 |
| 11/11/09 | Examine and revise Thompson testimony and e-mail re Thompson and Hermann testimony | RMW | 1.50 |
| 11/11/09 | Analysis re transfer of Trimble County fixtures/land issues. | TLS | 1.00 |
| 11/11/09 | Draft of testimony. | WDC | 3.40 |
| 11/12/09 | Prepare and revise memorandum regarding transfer of joint use assets at Trimble County site. | JWH | 2.90 |
| 11/12/09 | Attention to testimony and joint use issues. | KRR | 0.60 |
| 11/12/09 | Continued drafting Hermann and Thompson testimony | MLB | 3.50 |
| 11/12/09 | Work on Thompson and Hermann testimony | RMW | 2.50 |
| 11/12/09 | Draft of testimony. | WDC | 4.70 |
| 11/13/09 | Work on testimony issues. | KRR | 3.50 |
| 11/13/09 | Drafting Thompson and Hermann testimonies | MLB | 4.80 |
| 11/13/09 | Work on Hermann and Thompson testimonies | RMW | 3.50 |
| 11/13/09 | Draft of testimony. | WDC | 2.40 |
| 11/15/09 | Drafting Charnas testimony | MLB | 0.40 |
| 11/16/09 | Review and revise memorandum regarding asset transfer. | JWH | 1.70 |
| 11/16/09 | Work on testimony. | KRR | 1.00 |
| 11/16/09 | Drafting Charnas testimony | MLB | 2.20 |
| 11/16/09 | Conference call re testimony; examine order re Water Service Company; examine C-J article re CCS; examine TC2 depreciation case application | RMW | 1.00 |
| 11/16/09 | Draft of testimony. | WDC | 6.20 |
| 11/17/09 | Review revised memorandum and follow-up with bond attorney regarding same; email memorandum. | JWH | 1.20 |

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E.ON U.S. LLC

Stoll Keenon Ogden PLLC
Invoice No. 636756

| <u>Date</u> | <u>Description</u> | <u>Tkpr</u> | <u>Hours</u> |
|-------------|---|-------------|--------------|
| 11/17/09 | Drafting Scott and Charnas testimony | MLB | 1.30 |
| 11/18/09 | Review storm damage report for inclusion in testimony. | KRR | 1.00 |
| 11/18/09 | Draft Scott and Charnas testimony | MLB | 4.80 |
| 11/18/09 | Work on Charnas and Scott testimony | RMW | 0.50 |
| 11/19/09 | Brief review of KIUC data responses to request for information and send same to client. | KRR | 0.50 |
| 11/19/09 | Drafting Scott and Charnas testimony | MLB | 3.10 |
| 11/19/09 | Draft of testimony. | WDC | 5.30 |
| 11/20/09 | Drafting Scott and Charnas testimony | MLB | 2.30 |
| 11/20/09 | Work on rate case testimony; begin examination of PSC storm report | RMW | 4.00 |
| 11/20/09 | Draft of testimony. | WDC | 1.40 |
| 11/21/09 | Draft of testimony. | WDC | 5.70 |
| 11/22/09 | Work on testimony; review KIUC data responses and send same to expert. | KRR | 4.00 |
| 11/22/09 | Draft of testimony. | WDC | 1.90 |
| 11/23/09 | Work on testimony. | KRR | 7.00 |
| 11/23/09 | Drafting Scott, Charnas and Miller testimony | MLB | 8.20 |
| 11/23/09 | Work on testimony; review prior research re out of TY adjustments | RMW | 3.50 |
| 11/23/09 | Draft of testimony. | WDC | 10.50 |
| 11/24/09 | Work on testimony. | KRR | 7.00 |
| 11/24/09 | Drafting Scott, Charnas, Miller and Staffieri testimony | MLB | 7.40 |
| 11/24/09 | Work on testimony | RMW | 5.50 |
| 11/24/09 | Draft of testimony. | WDC | 8.40 |
| 11/25/09 | Work on testimony. | KRR | 0.50 |
| 11/25/09 | Drafted Staffieri testimony; researched post test year adjustments | MLB | 6.30 |
| 11/25/09 | Revisions to draft testimony. | WDC | 0.70 |
| 11/27/09 | Post test year adjustments research | MLB | 2.10 |
| 11/28/09 | Work on testimony. | KRR | 2.00 |
| 11/28/09 | Post test year adjustments research | MLB | 5.90 |

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E.ON U.S. LLC

Stoll Keenon Ogden PLLC

Invoice No. 636756

| <u>Date</u> | <u>Description</u> | <u>Tkpr</u> | <u>Hours</u> |
|-----------------------|--|-------------|--------------------|
| 11/28/09 | Examine and revise Staffieri testimony | RMW | 0.50 |
| 11/28/09 | Examine Kollen testimony and Spanos rebuttal testimony; review previous filings in depreciation case | RMW | 1.00 |
| 11/29/09 | Analysis of regulatory issues; work on testimony. | KRR | 4.00 |
| 11/29/09 | Post test year adjustment research | MLB | 1.20 |
| 11/30/09 | Work on testimony. | KRR | 3.00 |
| 11/30/09 | Drafting Staffieri and Hermann testimony | MLB | 4.70 |
| 11/30/09 | Review previous filings in depreciation case; conference call with Spanos, Charnas, et al re rebuttal testimony and settlement possibilities; review previous briefs and research Commission orders; e-mail to Spanos and client re net negative salvage cases | RMW | 3.00 |
| 11/30/09 | Revisions to testimony. | WDC | 1.20 |
| Total Services | | | \$71,864.00 |

Summary of Services

| <u>Init</u> | <u>Timekeeper</u> | <u>Hours</u> | <u>Rate</u> | <u>Value</u> |
|----------------|--------------------|--------------|-------------|--------------|
| RMW | Watt, R M | 30.00 | 350.00 | 10,500.00 |
| MLB | Braun, Monica | 101.80 | 190.00 | 19,342.00 |
| JWH | Hendricks, J W | 11.50 | 290.00 | 3,335.00 |
| KRR | Riggs, Kendrick R. | 60.90 | 350.00 | 21,315.00 |
| TLS | Schnell, A L | 1.00 | 300.00 | 300.00 |
| WDC | Crosby III, W D | 77.60 | 220.00 | 17,072.00 |
| Total Services | | 282.80 | | \$71,864.00 |

Disbursements

| <u>Date</u> | <u>Description</u> | <u>Tkpr</u> | <u>Amount</u> |
|----------------------------|---|-------------|-----------------|
| 10/28/09 | 10/28 parking for meeting at E.ON VENDOR: Riggs, Kendrick R; INVOICE#: 110609; DATE: 11/6/2009 | KRR | \$3.00 |
| 11/09/09 | Duplicating Charges | | \$10.08 |
| 11/09/09 | 11/9 PSC, Frankfort, KY VENDOR: Campbell, Michael; INVOICE#: 111309, DATE: 11/13/2009 | MC | \$63.25 |
| 11/10/09 | Lexis Charges | JDP | \$94.03 |
| 11/11/09 | Lexis Charges | JDP | \$4.97 |
| 11/12/09 | 11/12 Frankfort, KY VENDOR: Campbell, Michael; INVOICE#: 111309; DATE: 11/13/2009 | MC | \$63.25 |
| Total Disbursements | | | \$238.58 |

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E.ON U.S. LLC

Stoll Keenon Ogden PLLC
Invoice No. 636756

Summary of Disbursements

| <u>Disb Code</u> | <u>Description</u> | <u>Amt</u> |
|--|---------------------------------------|--------------------|
| 002 | Duplicating Charges | \$10.08 |
| 021 | lodging, parking and etc. | \$3.00 |
| 041 | long distance transportation, mileage | \$126.50 |
| 054 | Lexis Charges | \$99.00 |
| | Total Disbursements | <u>\$238.58</u> |
| TOTAL FEES & DISBURSEMENTS | | \$72,102.58 |
| LESS DISCOUNT | | \$-7,186.40 |
| Total Current Charges This Matter | | \$64,916.18 |

Outstanding Invoices

| <u>Date</u> | <u>Invoice No.</u> | <u>Billed Amount</u> | <u>Payment/Credits</u> | <u>Balance Due</u> |
|---|--------------------|----------------------|------------------------|--------------------|
| 11/16/09 | 634759 | \$ 31,947.73 | \$ 0.00 | \$ 31,947.73 |
| Total Outstanding Invoices This Matter | | | | \$31,947.73 |
| Total Amount Due This Matter | | | | \$96,863.91 |

Keep this copy for your records.

The Prime Group

Invoice for Services Rendered

Invoice Date: November 2, 2009

Invoice Number 200911-1

RECEIVED

DEC 10 2009

ACCOUNTS PAYABLE

To: E.ON
P.O. Box 32010
Louisville, KY 40232

Attn: Mr. Robert Conroy

9.0 hours of consulting work by Steve Seelye @ \$200.00/hr performed during an LG&E and KU rate case in Kentucky for E.ON \$ 1,800.00

3.0 hours of consulting work by Steve Seelye @ \$200.00/hr performed during October in providing support for a retail rate case in Virginia for E.ON. \$ 600.00

Total due for October \$ 2,400.00

Please remit payment to: The Prime Group, LLC
P.O. Box 837
Crestwood, KY 40014-0837

OK  11/5/09

PO # 40351

125973 KU - \$900.00
125974 LGE-E \$572.40
125975 LGE-G \$327.60
\$1800.00

MERCER



MARSH MERCER KROLL
GUY CARPENTER OLIVER WYMAN

Invoice

462 South Fourth Street, Suite 1100
Louisville, KY 40202-3415

Telephone: (502) 561-4500

Jeanne Wright
E.ON U.S.
P.O. Box 32010
Louisville KY 40232

Number 134010009442
Date 07-Dec-2009
Client LGKLOU

Remittance Copy

For professional services performed between November 1, 2009 and November 30, 2009.

| | | Fees |
|--------------------------|----|-----------|
| Mercer | \$ | 46,571.00 |
| Mercer Health & Benefits | \$ | 28,599.00 |
| Sub Total | \$ | 75,170.00 |
| Total Amount Due | \$ | 75,170.00 |

Return this copy with your payment

Payable upon receipt

Please wire funds to:
J.P. Morgan Chase, Chicago IL
Mercer (US) Inc.
Acct. No.: 5810264
FED WIRE ABA #: 021000021
ACH ABA #: 071 000 013
Swift Code: CHASUS33

or Remit with Check to.
PO Box 905234
CHARLOTTE NC
28290-5234

125973 - KU \$7914.00
125974 - LGE-E \$5033.30
125975 - LGE-G \$2880.70
\$15828.00

Please include invoice numbers on all remittances. Wire transfer remittance information should be faxed to 502 560 8275.

MERCER



MARSH MERCER KROLL
GUY CARPENTER OLIVER WYMAN

462 South Fourth Street, Suite 1100
Louisville, KY 40202
502 561 4710
henry.erk@mercer.com
www.mercer.com

Memo

To: Heather Metts
Date: February 24, 2010
From: Henry Erk
Subject: Fees Related to the Pension Cost Projections for Rate Case

For November, 2009, Mercer's consulting and actuarial fees related to pension cost projections for the rate case were \$15,828.