



DEPARTMENT OF THE ARMY
UNITED STATES ARMY LEGAL SERVICES AGENCY
901 NORTH STUART STREET
ARLINGTON VA 22202-1837

May 18, 2010

VIA UPS

Mr. Jeff Derouen
Executive Director
Kentucky Public Service Commission
211 Sower Blvd.
Frankfort, Kentucky 40602

RECEIVED

MAY 19 2010

PUBLIC SERVICE
COMMISSION

SUBJECT: In the Matter of: Application of Louisville Gas & Electric Company for an Adjustment of Electric and Gas Base Rates, **Case No. 2009-00549**

Dear Mr. Derouen:

Enclosed please find for filing in the subject proceeding the original and ten copies of the Response of United States Department of Defense and other Federal Executive Agencies ("DOD/FEA") to the First Data Requests of Louisville Gas & Electric Company dated May 6, 2010.

Please contact me if there are any questions regarding this filing.

Copies have been sent to all parties of record.

Sincerely,

A handwritten signature in cursive script that reads "Robert A. Ganton".

Robert A. Ganton
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Regulatory Law Office
U.S. Army Legal Services Agency
901 N. Stuart Street, Suite 525
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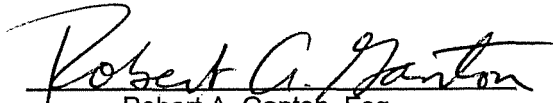
E-Mail: robert.ganton@us.army.mil

Enclosures
CC: Parties of Record

CERTIFICATE OF SERVICE

Louisville Gas & Electric Company - Case No. 2009-00549

I hereby certify that a true and correct copy of the foregoing Response to Data Requests was served on the following parties on the 18th day of May 2010 by United States mail, postage prepaid.


Robert A. Ganton, Esq.

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Honorable Robert M Watt, III
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Hon. Tom Fitzgerald
Kentucky Resources Council, Inc.
PO Box 1070
Frankfort, KY 40602

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

IN THE MATTER OF:

**APPLICATION OF LOUISVILLE
GAS AND ELECTRIC COMPANY
FOR AN ADJUSTMENT OF ITS
ELECTRIC AND GAS BASE RATES**

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Case No. 2009-00549

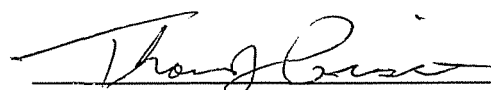
**RESPONSE OF
THE UNITED STATES DEPARTMENT OF DEFENSE
AND ALL OTHER FEDERAL EXECUTIVE AGENCIES
TO THE FIRST DATA REQUEST
OF LOUISVILLE GAS AND ELECTRIC COMPANY
DATED May 6, 2010**

Filed: May 19, 2010

VERIFICATION

STATE OF VIRGINIA)
) SS:
COUNTY OF ARLINGTON)

The undersigned, **Thomas J. Prisco**, being duly sworn, states that he is a Systems Accountant, United States Army Legal Services Agency, Department of the Army, that he has personal knowledge of the matters set forth in the responses for which he is identified as the witness, and that the answers contained therein are true and correct to the best of his information, knowledge and belief.


Thomas J. Prisco

Subscribed and sworn to before me, a Notary Public in and for the aforesaid County and State this 18th day of May 2010.




NOTARY PUBLIC

My Commission Expires:

September 30, 2012

**THE UNITED STATES DEPARTMENT OF DEFENSE
AND ALL OTHER FEDERAL EXECUTIVE AGENCIES**

CASE NO. 2009-00549

Response to LG&E's Initial Requests for Information

Dated May 6, 2010

Question No. 1

Responding Witness: Thomas J. Prisco

Q-1. To the extent not previously provided, please provide electronic copies (on CD) of all tables, charts, diagrams, schedules, and exhibits (collectively, "Exhibits") contained in the testimony of all witnesses for the DOD/FEA. Please include all workpapers, schedules, underlying computations and supporting documentation used and relied upon by each witness in the preparation of his or her testimony, including the preparation of all Exhibits. Please provide all electronic spreadsheets with cell formulas, cell references, macros and VBA code intact.

A-1. See enclosed CD.

**THE UNITED STATES DEPARTMENT OF DEFENSE
AND ALL OTHER FEDERAL EXECUTIVE AGENCIES**

CASE NO. 2009-00549

Response to LG&E's Initial Requests for Information

Dated May 6, 2010

Question No. 2

Responding Witness: Thomas J. Prisco

Q-2. To the extent not previously provided, please provide copies of all schedules and underlying computations and workpapers developed in the analysis by the DOD/FEA and/or its witness(es) of LG&E's requested rate increase in electronic spreadsheet format with all formulas intact. This request includes, but is not limited to, the analyses of the revenue requirement components and computations, including all ratemaking adjustments to the historic data, and the cost of service model.

A-2. See response to LG&E's initial data request number 1.

**THE UNITED STATES DEPARTMENT OF DEFENSE
AND ALL OTHER FEDERAL EXECUTIVE AGENCIES**

CASE NO. 2009-00549

Response to LG&E's Initial Requests for Information

Dated May 6, 2010

Question No. 3

Responding Witness: Thomas J. Prisco

- Q-3. LG&E cannot understand Mr. Prisco's concern with respect to its *pro forma* adjustment to operating expenses for injuries and damages (page 15 of Mr. Prisco's testimony). Please restate Mr. Prisco's concern in greater detail.
- A-3. Reference Rives Exhibit 1, Schedule 1.22, lines 1 and 2, the Company's adjustment reduces the injury/damage 10 year average by the corresponding expense for the 12 months ended October 31, 2009. Theoretically, I concur with the concept of the proposed adjustment. However, I recommend adjusting the injury/damage 10 year average by the normalized expense currently being collected in base rates.