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PUBLIC SERVICE
COMMISSION

Louisville Gas & Electric Energy LLC
State Regulation and Rates
220 West Main Street
PO Box 32010
Louisville, Kentucky 40232
www.lge-ku.com

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

Rick E. Lovekamp
Manager Regulatory Affairs
T 502-627-3780
F 502-627-3213
rick.lovekamp@lge-ku.com

January 9, 2012

RE: *Joint Application of Louisville Gas and Electric Company and Kentucky Utilities Company for a Certificate of Public Convenience and Necessity and Site Compatibility Certificate for the Construction of a Combined Cycle Combustion Turbine at the Cane Run Generating Station and the Purchase of Existing Simple Cycle Combustion Turbine Facilities from Bluegrass Generation Company, LLC in LaGrange, Kentucky*
Case No. 2011-00375

Dear Mr. DeRouen:

Please find enclosed and accept for filing an original and ten (10) copies of the Data Request of Louisville Gas and Electric Company and Kentucky Utilities Company to the Sierra Club and Natural Resources Defense Council in the above-referenced docket.

Should you have any questions regarding the enclosed, please do not hesitate to contact me.

Sincerely,

A handwritten signature in black ink that reads 'Rick E. Lovekamp'.

Rick E. Lovekamp

c: Parties of Record

COMMONWEALTH OF KENTUCKY
BEFORE THE PUBLIC SERVICE COMMISSION

In the Matter of:

**JOINT APPLICATION OF LOUISVILLE GAS)
AND ELECTRIC COMPANY AND KENTUCKY)
UTILITIES COMPANY FOR A CERTIFICATE)
OF PUBLIC CONVENIENCE AND NECESSITY)
AND SITE COMPATIBILITY CERTIFICATE)
FOR THE CONSTRUCTION OF A COMBINED) CASE NO. 2011-00375
CYCLE COMBUSTION TURBINE AT THE)
CANE RUN GENERATING STATION AND THE)
PURCHASE OF EXISTING SIMPLE CYCLE)
COMBUSTION TURBINE FACILITIES FROM)
BLUEGRASS GENERATION COMPANY, LLC)
IN LAGRANGE, KENTUCKY)**

**DATA REQUESTS OF
KENTUCKY UTILITIES COMPANY AND
LOUISVILLE GAS AND ELECTRIC COMPANY
PROPOUNDED TO SIERRA CLUB AND
NATURAL RESOURCES DEFENSE COUNCIL**

Louisville Gas and Electric Company (“LG&E”) and Kentucky Utilities Company (“KU”) (collectively, the “Companies”), respectfully submit the following data requests to the Sierra Club (“SC”) and Natural Resources Defense Council (“NRDC”) (collectively, “Environmental Group”), to be answered by the date specified in the procedural schedule ordered by the Kentucky Public Service Commission (“Commission”) in this matter.

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, Environmental Group, its witnesses, or its 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 Environmental Group receives or generates 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 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 Environmental Group objects to any request on the ground that the requested information is proprietary in nature, or for any other reason, please notify the undersigned counsel 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 Environmental Group, its counsel, or its 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 a reference to the record where the document is located.

Data Requests

1. Please see the table at page 4 of Mr. Sullivan's testimony regarding Energy Efficiency/ Peak Demand Reduction through 2017.
 - a. Please supply all supporting documentation and calculations used in creating the table.
 - b. Please also state whether the Companies' forecasted load utilized in this calculation included any industrial loads.
2. Please see Mr. Sullivan's testimony at page 7.
 - a. Please provide any and all research and analysis performed that supports Exhibit DES-2, including, without limitation, the annual energy/demand savings proposed within Exhibit DES-2.
 - b. Please provide any and all market potential, market depth, and market feasibility studies performed for the Commonwealth of Kentucky that support the energy/demand savings proposed within Exhibit DES-2.
 - c. Regarding footnote 16 on page 7, please provide any and all analysis of the Companies' peak load contribution of energy efficiency programs.
3. Please see pages 8-9 of Mr. Sullivan's testimony.
 - a. Please provide any and all analysis associated with customer adoption rates associated with LED, 2X efficient incandescent, and improved CFLs both nationally and in the Commonwealth of Kentucky.
 - b. Please also provide any and all analysis performed demonstrating the cost effectiveness of LED, 2X efficient incandescent, and improved CFLs.
4. Provide any analysis and work-papers that show the revenue requirement impact of Mr. Sullivan's proposed demand side management ("DSM") programs on the Companies' recommendation to purchase Bluegrass Generation Company, LLC assets and construct new facilities at Cane Run ("Cane Run 7").
5. Please explain how Mr. Sullivan's proposed incremental DSM programs will offset the 4.5 GWh of annual energy historically provided by Cane Run 4-6,

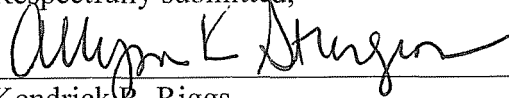
Green River 3-4 and Tyrone in the absence of the construction of Cane Run 7.

6. Please provide the annual hourly load shape impact of Mr. Sullivan's proposed DSM programs.
7. Please see page 4, lines 17-24 of Mr. Chernick's testimony.
 - a. Please provide any and all support for the statements that the Companies' RFP analysis did not properly account for the costs of installing new controls to comply with existing and pending EPA regulations.
 - b. Please quantify in dollars the amount of those costs and please state how the alleged failure to account for such costs should impact the Companies' construction and purchase recommendations in this case.
8. Please see page 5, lines 1-2 of Mr. Chernick's testimony. Describe how the cost of emission allowances impact the evaluation of the RFP responses and the revenue requirements associated with construction of Cane Run 7 and purchase of Bluegrass Generation Company assets.
9. Please see pages 5-6 of Mr. Chernick's testimony. Please explain how the EPA regulations discussed impact the Companies' decision to (1) construct Cane Run 7 and (2) purchase the Bluegrass Generation Company assets to replace the capacity and energy that will be retired.
10. Please see page 8, lines 17-21 of Mr. Chernick's testimony.
 - a. Please provide the "probability-weighted average" of the potential future carbon emission costs recommended by Mr. Chernick and all supporting analysis and work-papers.
 - b. How high would CO₂ costs need to be in order for the Companies to conclude that they should neither construct Cane Run 7 nor purchase the Bluegrass Generation Company assets to replace the capacity being retired?
11. Please see page 11, lines 5-6 of Mr. Chernick's testimony. Please provide Mr. Chernick's forecast of future natural gas prices.
12. Please see page 12, lines 1-4 of Mr. Chernick's testimony.
 - a. Please provide a forecast of natural gas prices that Mr. Chernick believes would have resulted in the wind responses to the RFP being lower cost than the Cane Run 7 and Bluegrass Generation solutions.
 - b. Please provide all documentation and support for this forecast.
13. Please see pages 13-15 of Mr. Chernick's testimony.

- a. Please provide a copy of all wind contracts Mr. Chernick references.
14. Assuming retirement of Tyrone, Green River 3-4 and Cane Run 4-6, what is Mr. Chernick's precise recommended energy and capacity portfolio for supplying the needs of the Companies' customers? Please provide all work-papers and analysis supporting his recommended portfolio.

Dated: January 9, 2012

Respectfully submitted,



Kendrick R. Riggs

Robert M. Watt III

Lindsey W. Ingram III

W. Duncan Crosby III

Stoll Keenon Ogden PLLC

2000 PNC Plaza

500 West Jefferson Street

Louisville, Kentucky 40202-2828

Telephone: (502) 333-6000

Allyson K. Sturgeon

Senior Corporate Attorney

LG&E and KU Services Company

220 West Main Street

Louisville, Kentucky 40202

Telephone: (502) 627-2088

*Counsel for Louisville Gas and Electric Company
and Kentucky Utilities Company*

CERTIFICATE OF SERVICE

I hereby certify that a true copy of the foregoing was served via U.S. mail, first-class, postage prepaid, this 9th day of January, 2012, upon the following persons:

Dennis G. Howard II
Lawrence W. Cook
Office of the Attorney General
Office of Rate Intervention
1024 Capital Center Drive, Suite 200
Frankfort, KY 40601-8204

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

Edward George Zuger III
Zuger Law Office PLLC
P.O. Box 728
Corbin, KY 40702

Kristin Henry
Staff Attorney
Sierra Club
85 Second Street
San Francisco, CA 94105

Shannon Fisk
Senior Attorney
Natural Resources Defense Council
2 N. Riverside Plaza, Suite 2250
Chicago, IL 60660



*Counsel for Louisville Gas and Electric Company
and Kentucky Utilities Company*