



a PPL company

Jeff DeRouen, Executive Director
Public Service Commission of Kentucky
211 Sower Boulevard
P. O. Box 615
Frankfort, Kentucky 40602

September 1, 2011

RECEIVED

SEP 01 2011

PUBLIC SERVICE
COMMISSION

Kentucky Utilities Company
State Regulation and Rates
220 West Main Street
PO Box 32010
Louisville, Kentucky 40232
www.lge-ku.com

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

RE: *The Application of Kentucky Utilities Company for Certificates of Public Convenience and Necessity and Approval of Its 2011 Compliance Plan for Recovery by Environmental Surcharge*
Case No. 2011-00161

Dear Mr. DeRouen:

Enclosed please find an original and fifteen (15) copies of Kentucky Utilities Company's (KU) response to the Lexington-Fayette Urban County Government's (LFUCG) Supplemental Requests for Information dated August 16, 2011, in the above-referenced matter.

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

Sincerely,

A handwritten signature in black ink, appearing to read 'R. M. Conroy', with a large, stylized flourish extending to the right.

Robert M. Conroy

cc: Parties of Record

COMMONWEALTH OF KENTUCKY
BEFORE THE PUBLIC SERVICE COMMISSION

In the Matter of:

THE APPLICATION OF KENTUCKY UTILITIES)	
COMPANY FOR CERTIFICATES OF PUBLIC)	
CONVENIENCE AND NECESSITY AND)	
APPROVAL OF ITS 2011 COMPLIANCE PLAN)	CASE NO. 2011-00161
FOR RECOVERY BY ENVIRONMENTAL)	
SURCHARGE)	

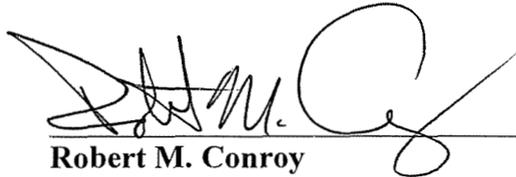
KENTUCKY UTILITIES COMPANY
RESPONSE TO THE
LEXINGTON-FAYETTE URBAN COUNTY GOVERNMENT'S (LFUCG)
SUPPLEMENTAL REQUESTS FOR INFORMATION
DATED AUGUST 16, 2011

FILED: SEPTEMBER 1, 2011

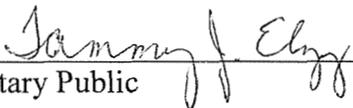
VERIFICATION

COMMONWEALTH OF KENTUCKY)
) SS:
COUNTY OF JEFFERSON)

The undersigned, **Robert M. Conroy**, being duly sworn, deposes and says that he is Director - Rates for LG&E and KU Services Company, and that he has personal knowledge of the matters set forth in the responses for which he is identified as the witness, and the answers contained therein are true and correct to the best of his information, knowledge and belief.


Robert M. Conroy

Subscribed and sworn to before me, a Notary Public in and before said County and State, this 31st day of August 2011.

 (SEAL)
Notary Public

My Commission Expires:

November 9, 2014

KENTUCKY UTILITIES COMPANY

**Response to Lexington-Fayette Urban County Government's
Supplemental Requests for Information Dated August 16, 2011**

Case No. 2011-00161

Question No. 1

Witness: Robert M. Conroy

- Q-1. Please refer to your response to Commission Staff's First Information Request No. 1, and provide the information requested in item l(a) for an electric customer served under the rate schedule for Power Service (PS).
- A-1. Customers served under Rate Schedule PS, both secondary and primary, can have significantly different load characteristics depending upon their demand, load factor and energy consumption. As such, KU has calculated the monthly impact on a customer serviced under Rate Schedule PS at various demand levels and load factors instead of using an "average" customer as requested by the Commission Staff for a residential customer. Please see the attachment.

Kentucky Utilities Company
Monthly (Summer) Bill Impact to PS Primary Customers

Demand kW	Load Factor	Energy kWh	Monthly Bill (Base, Fuel, DSM)	Incremental Billing Factor				
				1.47%	4.21%	8.31%	11.15%	12.23%
				2012	2013	2014	2015	2016
50	30%	10,950	\$1,095.69	\$46.13	\$91.05	\$122.15	\$134.02	
	50%	18,250	\$1,346.16	\$56.67	\$111.86	\$150.07	\$164.65	
	70%	25,550	\$1,596.62	\$67.22	\$132.67	\$177.99	\$195.29	
100	30%	21,900	\$2,101.39	\$88.47	\$174.62	\$234.26	\$257.03	
	50%	36,500	\$2,602.32	\$109.56	\$216.24	\$290.10	\$318.30	
	70%	51,100	\$3,103.24	\$130.65	\$257.87	\$345.94	\$379.57	
150	30%	32,850	\$3,107.08	\$130.81	\$258.19	\$346.37	\$380.04	
	50%	54,750	\$3,858.47	\$162.45	\$320.63	\$430.14	\$471.94	
	70%	76,650	\$4,609.86	\$194.08	\$383.06	\$513.90	\$563.85	
200	30%	43,800	\$4,112.78	\$173.15	\$341.76	\$458.49	\$503.05	
	50%	73,000	\$5,114.63	\$215.33	\$425.01	\$570.17	\$625.59	
	70%	102,200	\$6,116.48	\$257.51	\$508.26	\$681.86	\$748.13	
250	30%	54,750	\$5,118.47	\$215.49	\$425.33	\$570.60	\$626.06	
	50%	91,250	\$6,370.79	\$268.22	\$529.39	\$710.21	\$779.23	
	70%	127,750	\$7,623.10	\$320.94	\$633.46	\$849.81	\$932.41	

Kentucky Utilities Company
 Monthly (Summer) Bill Impact to PS Secondary Customers

Incremental Billing Factor	Demand kW	Load Factor	Energy kWh	Monthly Bill (Base, Fuel, DSM)	1.47%	4.21%	8.31%	11.15%	12.23%
					Monthly Increase				
					2012	2013	2014	2015	2016
50	30%	10,950	\$1,104.69	\$16.19	\$46.51	\$91.80	\$123.15	\$135.12	
	50%	18,250	\$1,355.16	\$19.86	\$57.05	\$112.61	\$151.07	\$165.75	
	70%	25,550	\$1,605.62	\$23.54	\$67.60	\$133.42	\$178.99	\$196.39	
100	30%	21,900	\$2,119.39	\$31.07	\$89.23	\$176.11	\$236.27	\$259.23	
	50%	36,500	\$2,620.32	\$38.41	\$110.32	\$217.74	\$292.11	\$320.50	
	70%	51,100	\$3,121.24	\$45.75	\$131.41	\$259.37	\$347.95	\$381.77	
150	30%	32,850	\$3,134.08	\$45.94	\$131.95	\$260.43	\$349.38	\$383.34	
	50%	54,750	\$3,885.47	\$56.96	\$163.58	\$322.87	\$433.15	\$475.25	
	70%	76,650	\$4,636.86	\$67.97	\$195.22	\$385.31	\$516.91	\$567.15	
200	30%	43,800	\$4,148.78	\$60.82	\$174.67	\$344.75	\$462.50	\$507.45	
	50%	73,000	\$5,150.63	\$75.50	\$216.85	\$428.00	\$574.18	\$629.99	
	70%	102,200	\$6,152.48	\$90.19	\$259.03	\$511.25	\$685.87	\$752.53	
250	30%	54,750	\$5,163.47	\$75.69	\$217.39	\$429.07	\$575.62	\$631.56	
	50%	91,250	\$6,415.79	\$94.05	\$270.11	\$533.13	\$715.22	\$784.74	
	70%	127,750	\$7,668.10	\$112.41	\$322.84	\$637.19	\$854.83	\$937.91	

KENTUCKY UTILITIES COMPANY

**Response to Lexington-Fayette Urban County Government's
Supplemental Requests for Information Dated August 17, 2011**

Case No. 2011-00161

Question No. 2

Witness: Robert M. Conroy

Q-2. What is the anticipated bill impact of the application upon each public street light tariff?

A-2. The impact to KU customers shown as a percentage is based on the jurisdictional revenue requirement and the forecasted 12-month retail revenues. To calculate the bill impact, the resulting percentage, or billing factor, is then applied to the total of the basic service charge, energy charge, FAC billings and DSM billings. If a customer has lighting service on the bill, the ECR billing factor would apply. The anticipated bill impact for a customer with public street lights will be dependent upon the number of lights and the type of light. The projected increase applicable to a customer's bill as shown in the 2011 Plan filing is:

2012	2013	2014	2015	2016
1.47%	4.21%	8.31%	11.15%	12.23%