

COMMONWEALTH OF KENTUCKY  
BEFORE THE PUBLIC SERVICE COMMISSION

In the Matter of:

THE APPLICATION OF THE UNION LIGHT,	)	
HEAT AND POWER COMPANY FOR AN	)	
ORDER AUTHORIZING THE (I) ISSUANCE	)	
AND SALE OF UP TO \$75,000,000 PRINCIPAL	)	
AMOUNT OF FIRST MORTGAGE BONDS OR	)	CASE NO. 2001-00439
UNSECURED DEBT AND (II) USE OF	)	
INTEREST RATE MANAGEMENT	)	
TECHNIQUES	)	

SECOND DATA REQUEST OF COMMISSION STAFF TO  
THE UNION LIGHT, HEAT AND POWER COMPANY

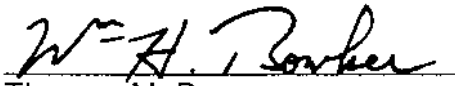
The Union Light, Heat and Power Company ( ULH&P ), pursuant to 807 KAR 5:001, is requested to file with the Commission the original and 5 copies of the following information, with a copy to all parties of record. The information requested herein is due not later than 10 days from the date of this request. When a number of sheets are required for an item, each sheet should be appropriately indexed, for example, Item 1(a), Sheet 2 of 6. Include with each response the name of the person who will be responsible for responding to questions relating to the information provided. Careful attention should be given to copied material to ensure that it is legible. Where information herein has been previously provided, in the format requested herein, reference may be made to the specific location of said information in responding to this information request.

1. Refer to the Application, page 3, Pricing Parameters, and Exhibit A. Exhibit A contains no indication of what interest rate would prohibit ULH&P from issuing a debt instrument.

a. Provide the break-even point or interest rate ceiling that would meet ULH&P's pricing parameters supporting the issuance of debt.

b. Detail the pricing parameters used by ULH&P to validate the break-even point or interest rate ceiling percentage. Include all calculations, assumptions, and methodologies used in this analysis.

c. Using the criteria shown in parts (a) and (b) above, provide the expected dollar amount of savings anticipated from ULH&P's interest rate management techniques.

*for*   
Thomas M. Dorman  
Executive Director  
Public Service Commission  
211 Sower Boulevard  
P.O. Box 615  
Frankfort, Kentucky 40602

DATED March 6, 2002

cc: All Parties