

COMMONWEALTH OF KENTUCKY
BEFORE THE PUBLIC SERVICE COMMISSION

In the Matter of:

THE APPLICATION OF KENTUCKY UTILITIES)	
COMPANY FOR AN ORDER AUTHORIZING)	CASE NO.
THE ISSUANCE OF SECURITIES AND THE)	2006-00390
ASSUMPTION OF OBLIGATIONS)	

FIRST DATA REQUEST OF COMMISSION STAFF
TO KENTUCKY UTILITIES COMPANY

Kentucky Utilities Company (“KU”), pursuant to 807 KAR 5:001, is 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 on or before November 30, 2006. Each copy of the data requested should be placed in a bound volume with each item tabbed. 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..

1. KU’s Application, Exhibit 5, presents a financial analysis of the proposal to refinance \$54 million of tax-exempt secured bonds by issuing tax-exempt unsecured debt. Provide a revised financial analysis that reflects both the proposed \$54 million refinancing and the anticipated issuance of \$1 billion of debt over the next 5 years, assuming KU issues 30-year secured bonds at the interest rate differential discussed in KU’s response to the Commission’s October 19, 2006 Order, Item No. 6.

2. KU's Application, page 8, states that, "The Carroll County 1994 Series A Bonds are currently redeemable at 100% of par. . . ." However, KU's response to the Commission's October 19, 2006 Order, Item No. 4, includes drafts of a loan agreement and indenture of trust, both of which provide on page 2 that, "[T]he Refunded 1994 Series A Bonds are by their terms currently subject to redemption at the option of the Issuer in whole or part on any date, at the price of 102% of the principal amount thereof. . . ." Explain in detail the apparent discrepancy between the statements in KU's application and those in the 2006 loan agreement and indenture of trust.



Beth O'Donnell
Executive Director
Public Service Commission
P. O. Box 615
Frankfort, KY 40602

DATED November 20, 2006

cc: All Parties