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 AN ORDER APPROVING A LARGE COMMERCIAL AND INDUSTRIAL REAL-TIME PRICING TARIFF	)))))	CASE NO. 2007-00161

FIRST DATA REQUEST OF COMMISSION STAFF TO LOUISVILLE GAS AND ELECTRIC COMPANY AND KENTUCKY UTILITIES COMPANY

Louisville Gas and Electric Company ("LG&E") and Kentucky Utilities Company ("KU") (collectively "the Companies") are requested, pursuant to 807 KAR 5:001, to file with the Commission the original and five copies of the following information, with a copy to all parties of record. The information requested herein is due on June 5, 2007. Each copy of the data requested should be placed in a bound volume with each item tabbed. Responses to requests for information shall be appropriately indexed, for example, Item 1(a), Sheet 2 of 6, and shall include the name of the witness responsible for responding to the questions related to the information provided.

Each response shall be under oath or, for representatives of a public or private corporation, a partnership, an association or a governmental agency, be accompanied by a signed certification of the preparer or person supervising the preparation of the response on behalf of the entity that the response is true and accurate to the best of that person's knowledge, information, and belief formed after a reasonable inquiry.

The Companies shall make timely amendment to any prior response if they obtain information upon the basis of which they know that the response was incorrect when made or, though correct when made, is now incorrect in any material respect. For any request to which the Companies fail to furnish all or part of the requested information, the Companies shall provide a written explanation of the specific grounds for their failure to furnish.

Careful attention shall be given to copied material to ensure its legibility. When the requested information has been previously provided in this proceeding in the requested format, reference may be made to the specific location of that information in responding to this request.

1. Refer to paragraph No. 9 of the Application. The Companies state that the real-time pricing pilot program ("RTP Pilot") will be offered to LG&E customers served under Rate LC-TOD, Rate LP-TOD, or Rate LI-TOD and to KU customers served under Rate LCI-TOD, LMP-TOD, or LI-TOD. Provide the number of customers or customer accounts served under each of these tariffs for each company.

2. Refer to paragraph No. 10 of the Application. Why was the pilot designed to be bill neutral with respect to a customer's historical usage? Could bill neutrality be accomplished in some fashion other than by using the Customer Baseline Load ("CBL")? Explain.

3. Refer to paragraph No. 11 of the Application. The Companies state that the CBL will be "adjusted upward or downward each month by the ratio of the actual total monthly consumption to the customer's historic consumption for that month."

a. Provide a sample CBL for one customer for one month and a sample actual usage for the same month.

b. Provide the total amount that would be billed to this customer showing the calculation of each part of the bill separately. Provide all information used to perform the calculations including sample hourly prices obtained on the day-ahead basis.

c. The Application provides that "[t]he Companies will determine hourly prices each day based on the projections of the greatest hourly generation supply cost for the next day." Define the term "greatest hourly generation supply costs for the next day."

4. Refer to paragraph 17 of the Application. Explain why it is expected to take eight months to implement the RTP Pilot after approval. Provide a detailed discussion of the activities KU and LG&E will perform in the eight months from the Commission's Order approving the tariff to implementation.

5. Explain how the real-time pricing program will be communicated and explained to those customers that are potentially eligible.

6. Refer to the April 20, 2007 testimony of Kent W. Blake.

a. Mr. Blake states at page 2 that "[t]he Companies will determine hourly prices each day based on the projections of the greatest hourly generation supply cost for the next day." Explain how the "greatest hourly generation supply cost for the next day" with be calculated.

b. Is the 4:00 p.m. deadline for day-ahead prices related to requirements of the wholesale power market? If yes, explain why.

c. On page 5, in response to what happens if a customer increases or decreases total usage without altering the load pattern, Mr. Blake responds that "there would be no credit or charge on the RTP portion of the billing." Why shouldn't changes in total usage be billed at the RTP?

7. Refer to Exhibit KWB-3.

a. This exhibit assumes that 180 customers will participate in the RTP Pilot. Explain how this level of participants was determined.

b. Explain how the fixed charge rates of 31.49 percent and 17.65 percent were determined. Show all calculations.

8. Refer to page 2 of the April 20, 2007 testimony of Sidney L. "Butch" Cockerill.

a. Mr. Cockerill states that "most, if not all, of the Companies' customers who are eligible for the RTP Pilot currently have meters capable of time-incremented usage, though they may require some reprogramming." He also states, "[i]t is anticipated that some of the meters with the ability to record usage in time increments do not have adequate communications abilities and will require the Companies to install communications cards inside the existing meters." Given this information, explain why Exhibit SLC-1 includes a meter cost of $250 in addition to the $600 communication board.

b. As tentatively planned, is it correct that the only way the companies intend to notify customers of real-time prices is by posting the pricing information on the Companies' Website?

c. Will the customers then be required to physically connect to the Website to get the real-time pricing information?

d. Is there any means through which the customers can get or be provided with the real-time pricing information other than through the Website?

9. Refer to Exhibits KWB-3 and SLC-1.

a. The Meter Assets sections differ between these two exhibits as follows:

(1) Exhibit KWB-3 assumes a customer number of 180 and it appears that SLC-1 assumes a customer number of 100 based on the calculations under Meter Assets. Explain why the exhibits differ in terms of assumed number of customers and explain which number is correct.

(2) Exhibit KWB-3 shows a meter cost of $600 and Exhibit SLC-1 shows a total meter cost of $850. Explain why the exhibits differ.

(3) Exhibit SLC-1 includes a meter troubleshooting item that is not included in Exhibit KWB-3. Explain why the exhibits differ.

b. The Meter Reading section in Exhibit KWB-3 shows a $40 phone cost less the $12 standard meter reading cost and appears to use a customer number of 180. The Meter Reading section in Exhibit SLC-1 shows a $40 phone cost with no reduction for the standard meter reading cost and appears to use a customer number of 100. Explain why these exhibits differ and explain which includes the correct information.

c. Exhibit SLC-1 includes a Corporate Communications ongoing annual expense of $500. Exhibit KWB-3 does not include this expense. Explain the discrepancy.

10. Describe in detail what is shown in Exhibit SLC-2 in relation to the RTP pilot billing.

Beth O'Donnell
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Public Service Commission
P. O. Box 615
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Dated: May 21, 2007

cc: Parties of Record