

COMMONWEALTH OF KENTUCKY
BEFORE THE PUBLIC SERVICE COMMISSION

In the Matter of:

THE JOINT APPLICATION OF LOUISVILLE)
GAS AND ELECTRIC COMPANY AND)
KENTUCKY UTILITIES COMPANY DEMAND-)
SIDE MANAGEMENT FOR THE REVIEW,) CASE NO. 2007-00319
MODIFICATION, AND CONTINUATION OF)
ENERGY EFFICIENCY PROGRAMS AND)
COST RECOVERY MECHANISMS)

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 ("KU"), pursuant to 807 KAR 5:001, is to file with the Commission the original and 7 copies of the following information, with a copy to all parties of record. The information requested herein is due August 29, 2007. Responses to requests for information shall be appropriately bound, tabbed and indexed. Each response shall include the name of the witness responsible for responding to the questions related to the information provided.

Each response shall be answered under oath or, for representatives of a public or private corporation or a partnership or association or a governmental agency, be accompanied by a signed certification of the preparer or the 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.

LG&E and KU shall make timely amendment to any prior responses if it obtains information which indicates that the response was incorrect when made or, though

correct when made, is now incorrect in any material respect. For any request to which LG&E and KU fails or refuses to furnish all or part of the requested information, LG&E and KU shall provide a written explanation of the specific grounds for its failure to completely and precisely respond.

Careful attention shall be given to copied material to ensure that it is legible. 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. When applicable, the requested information shall be separately provided for total company operations and jurisdictional operations.

1. Refer to page 8 of the application.
 - a. Provide the number of additional employees that LG&E and KU each anticipate needing for the DSM programs going forward.
 - b. Provide the expected salary, benefits, etc. for these employees.
 - c. Will the additional cost of employees be recovered through the DSM surcharge?
 - d. Has a Request for Proposals (“RFP”) been advertised for selecting contractors for the program?
 - e. If yes, provide a copy of the RFP to the Commission along with a list of contractors who have responded.
2. Refer to page 14 of the application.
 - a. The applicants have estimated the participation for the residential conservation program and the energy impacts. Explain the basis for the estimates.

b. The applicants have stated that customers participating in onsite audits may also receive programmable thermostats, air sealing services, energy savings showerheads, water heater wraps and faucet aerators. Explain what determines which items customers receive and why.

3. Refer to page 17 of Volume I of the application. Provide applicable calculations and work papers associated with the cost of \$25 for onsite energy audits.

4. Refer to the Residential and Commercial Load Management description starting on page 19 of Volume I of the application. Is there a maximum amount of time in a day, week, or season that an appliance may be cycled off?

5. Refer to page 22 of the application.

a. The charts showing the estimates for the energy impacts from the Residential and Commercial Load Management Program show energy impacts on natural gas usage. Explain how this option produces an impact on a customer's natural gas usage.

b. Provide the larger dollar amount that will be received by commercial customers with units larger than 5 tons.

c. Explain why the incentive is smaller for multi-family units.

6. Provide the inflation rate used to escalate costs within the programs.

7. Refer to page 67 of the application. The section on rebate and incentive fulfillment talks about how the contractor will match certain items before making a payment to a customer. Is the contractor who will maintain the dealer database the same contractor who will administer the payment of incentives and rebates for the other DSM programs?

8. LG&E and KU have filed a joint application. Are there any differences within the programs between the two companies?

9. Refer to the application, Volume III, Appendix D, page 2.

a. What methods did the company use in validating the data transferred to the Backbone Client Server database?

b. It is noted on this page that the Encompass data was limited in both quantity of participation factors and the quality of the data. The noted problems included the measurement descriptions were not uniform, the quantity for a recommendation was noted, but the units were not, and that the database included one field for savings, but the units are not explicit. Given these limitations, provide an explanation of how the company was able to calculate the energy and dollar savings reported.



Beth O'Donnell
Executive Director
Public Service Commission
P. O. Box 615
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Dated: August 15, 2007

cc: Parties of Record