COMMONWEALTH OF KENTUCKY

BEFORE THE PUBLIC SERVICE COMMISSION

In the Matter of:

APPLICATION OF LOUISVILLE GAS AND ELECTRIC COMPANY FOR APPROVAL OF A REVISED COLLECTION CYCLE FOR PAYMENT OF BILLS

CASE NO. 2007-00410

COMMISSION STAFF'S FIRST DATA REQUEST TO LOUISVILLE GAS AND ELECTRIC COMPANY

Louisville Gas and Electric Company ("LG&E"), pursuant to 807 KAR 5:001, is requested to file with the Commission the original and six copies of the following information, with a copy to all parties of record. The information requested herein is due on or before October 4, 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, shall 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.

LG&E 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 requests to which LG&E fails or refuses to furnish all or part of the requested information, LG&E shall provide a written explanation of the specific grounds for its failure to completely and precisely respond.

Careful attention should 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 the testimony of Sidney L. "Butch" Cockerell. At page 1, in response to the third question, he states that, "There are two significant drivers for the proposed change," and that, "The first reason for the change is to more closely align LG&E's billing process to KU's." Explain in detail why, if LG&E wants to more closely align its billing process to KU's, LG&E is not proposing to eliminate its late payment fee since KU does not charge such a fee.

2. If the bill due date is reduced to 10 days, will LG&E be able to disconnect service to non-paying customers sooner than it would be able to disconnect with a 15-day bill due date?

3. Explain, in both narrative form and by a chart showing illustrative dates, the statement by Mr. Cockerell at page 1 that the existing 15-day due date allows for more than one bill to be issued prior to disconnection for non-payment.

4. Explain, in narrative form and by a chart showing illustrative dates, the statement that reducing the bill due date to 10 days will eliminate the issuance of more than one bill prior to disconnection for non-payment.

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5. Does LG&E intend to file revisions to the Bill Format, set forth in its tariffs as Sheet No. 89, to reflect the proposed change in bill due date?

a. If yes, explain the revisions that will be needed to the Bill Format and state when they will be filed.

b. If no, explain why no revisions are needed to reflect that the gross amount of the bill will no longer be due after the payment due date but will be due 5 days after the payment due date.

6. Does LG&E currently have a program that allows customers to pay their utility bills each month through an automatic deduction from their bank accounts?

a. If yes, under LG&E's current tariff, how many days after a customer's bill is rendered is the customer's bank account debited?

b. If yes, under LG&E's proposed tariff, how many days after a customer's bill is rendered will the customer's bank account be debited?

7. Has LG&E notified its customers that it is requesting approval to reduce the payment due date from 15 days to 10 days after the bill is rendered?

a. If yes, explain how the notice was made and provide copies of the notice.

b. If no, explain why LG&E does not believe that it is appropriate for its customers to know in advance that the due date for paying bills will be reduced from 15 days to 10 days.

8. Explain in detail the extent of LG&E's consideration of whether customers paying by bank draft may not have sufficient funds to pay their LG&E bills 5 days earlier than those bills are now being paid.

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9. Does LG&E issue a notice of termination ("brown bill") to every customer whose bill is not paid by the due date? If no, for each of the past three 12-month periods ending June 30, state how many customers did not pay by the due date and how many brown bills were issued.

10. Assuming that bills are due 10 days after being rendered and that the gross amount is not due until 15 days after bills are rendered, explain in detail the incentive, if any, that will exist for customers to pay by the due date rather than waiting to pay just before the penalty applies.

11. Assuming that bills are due 10 days after being rendered, explain in detail the future impact upon a customer's credit and payment history if payments are made after the due date but before the late payment fee applies.

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

DATED: <u>September 26, 2007</u>

cc: Parties of Record