

COMMONWEALTH OF KENTUCKY
BEFORE THE PUBLIC SERVICE COMMISSION

In the Matter of:

THE APPLICATION OF LOUISVILLE)
GAS AND ELECTRIC COMPANY)
FOR AN ORDER AUTHORIZING THE) CASE NO. 2008-00131
ISSUANCE OF SECURITIES AND)
THE ASSUMPTION OF OBLIGATIONS)

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 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 May 9, 2008. 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 application at page 4, paragraph 9. Provide an explanation of the circumstances where new debt would be issued, as opposed to refinancing the existing debt.

2. Refer to the application at pages 4-12 and Tab 4, page 2. Eight series of pollution control bonds are discussed on pages 4-12 that may be the subject of refinancing. On page 2 in Tab 4, there are additional variable rate series of pollution control bonds that are not identified as being candidates for refinancing. Provide an explanation of the status of these other bond series and whether these may also be refinanced in the future.

3. Refer to the application at page 13, paragraph 27.

a. Provide an explanation as to whether the Fidelia Corporation will be one of the possible entities that LG&E “may enter into one or more guaranty agreements, bond insurance agreements and other similar undertakings guaranteeing

repayment of all or part of the obligations under one or more series of the refunding bonds.”

b. In the context of this filing, if the bond auction (auction rates) market is suffering because of problems with the bond insurance companies, explain how and where else bond insurance may be obtained for the purposes of refinancing the current series of pollution control bonds.

4. Refer to the application at page 13, paragraph 28. Provide an explanation of why First Mortgage Bonds will not be used to collateralize the refunding bonds.

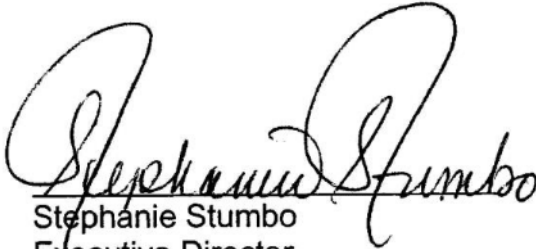
5. Refer to the application at page 15, paragraph 32, sentences 3-5. It appears that, if LG&E issues Variable Rate Pollution Control Refunding Bonds, the bond holder, at some point in time, can come back to LG&E through Louisville Metro Government or Trimble County and force the redemption of the bonds and LG&E would remarket the bonds to other purchasers. Provide an explanation of why the bond holder can come back to the issuer to sell the bonds, rather than simply selling them on the market.

6. Refer to the application at page 16, paragraph 33.

a. Provide an explanation as to whether Fidelia Corporation would be one of the possible entities from which LG&E “may enter into one or more liquidity facilities with a bank or banks to be selected by LG&E.”

b. For a bond that has been tendered for purchase and not remarketed, provide an explanation of the circumstances that the bond would not or could not be remarketed.

7. Over what period of time does LG&E anticipate that the conversions and/or refinancing will take place (i.e., by when does LG&E expect the transactions to be completed)?



Stephanie Stumbo
Executive Director
Public Service Commission
P.O. Box 615
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DATED: April 30, 2008

cc: All Parties