

COMMONWEALTH OF KENTUCKY
BEFORE THE PUBLIC SERVICE COMMISSION

In the Matter of:

APPLICATION OF KENTUCKY UTILITIES) CASE NO.
COMPANY FOR AN ADJUSTMENT OF ITS) 2012-00221
ELECTRIC RATES)

RESPONSE OF
KENTUCKY UTILITIES COMPANY
TO
COMMISSION STAFF'S FIRST REQUEST FOR INFORMATION
DATED JUNE 15, 2012


Updated Responses to Question Nos. 43, 44, and 55(c)

FILED: July 31, 2012

VERIFICATION

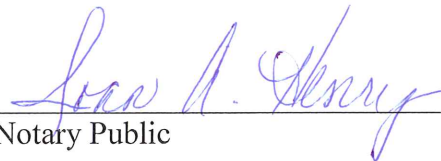
COMMONWEALTH OF KENTUCKY)
) SS:
COUNTY OF JEFFERSON)

The undersigned, **Lonnie E. Bellar**, being duly sworn, deposes and says that he is Vice President, State Regulation and Rates for Louisville Gas and Electric Company and Kentucky Utilities Company and an employee of LG&E and KU Services Company, and that he has personal knowledge of the matters set forth in the responses for which he is identified as the witness, and the answers contained therein are true and correct to the best of his information, knowledge and belief.



Lonnie E. Bellar

Subscribed and sworn to before me, a Notary Public in and before said County and State, this 31st day of July 2012.



Notary Public (SEAL)

My Commission Expires:

July 21, 2015

VERIFICATION

COMMONWEALTH OF KENTUCKY)
) SS:
COUNTY OF JEFFERSON)

The undersigned, **Kent W. Blake**, being duly sworn, deposes and says that he is Chief Financial Officer for Kentucky Utilities Company and Louisville Gas and Electric Company and an employee of LG&E and KU Services Company, and that he has personal knowledge of the matters set forth in the responses for which he is identified as the witness, and the answers contained therein are true and correct to the best of his information, knowledge and belief.

KTWBlake
Kent W. Blake

Subscribed and sworn to before me, a Notary Public in and before said County and State, this 31st day of July 2012.

Loan A. Henry (SEAL)
Notary Public

My Commission Expires:

July 21, 2015

KENTUCKY UTILITIES COMPANY

CASE NO. 2012-00221

**UPDATED Response to Commission Staff's First Request for Information
Dated June 15, 2012**

Updated Response filed July 31, 2012

Question No. 43

Responding Witness: Kent W. Blake / Lonnie E. Bellar

Q-43. Provide any information, when known, that would have a material effect on net operating income, rate base, or cost of capital that has occurred after the test year but were not incorporated in the filed testimony and exhibits.

A-43. Consistent with its commitments in the initial response to this request for information and past practice, please see attached Revised Blake Exhibit 2 and Analysis of the Embedded Cost of Capital, reflecting changes to embedded cost of capital through June 30, 2012. Certain information is being filed under seal pursuant to a petition for confidential treatment filed July 13, 2012.

See attached Reference Schedule 1.09 reflecting off-system sales margins through June 30, 2012.

The Company will continue to timely supplement this response with updated information.

KENTUCKY UTILITIES

Capitalization at March 31, 2012
with Annual Cost Rate as of June 30, 2012

	Per Books 3-31-2012 (1)	Capital Structure (2)	Undistributed Subsidiary Earnings (3)	Investment in EEI (Col 2 x Col 4 Line 4) (4)	Investments in OVEC and Other (Col 2 x Col 5 Line 4) (5)	Adjustments to Total Co. Capitalization (Sum of Col 3 - Col 5) (6)	Adjusted Total Company Capitalization (Col 1 + Col 6) (7)	Jurisdictional Rate Base Percentage (Exhibit 3 Line 19) (8)	Kentucky Jurisdictional Capitalization (Col 7 x Col 8) (9)
1. Short Term Debt	\$ -	0.00%	\$ -	\$ -	\$ -	\$ -	\$ -	87.52%	\$ -
2. Long Term Debt	1,840,750,374	46.26%	-	(599,437)	(198,511)	(797,948)	1,839,952,426	87.52%	1,610,326,363
3. Common Equity	2,138,484,751	53.74%	(3,158,501)	(696,363)	(230,610)	(4,085,474)	2,134,399,277	87.52%	1,868,026,247
4. Total Capitalization	<u>\$ 3,979,235,125</u>	<u>100.00%</u>	<u>\$ (3,158,501)</u>	<u>\$ (1,295,800)</u>	<u>\$ (429,121)</u>	<u>\$ (4,883,422)</u>	<u>\$ 3,974,351,703</u>		<u>\$ 3,478,352,610</u>

	Kentucky Jurisdictional Capitalization (9)	Capital Structure (10)	Environmental Compliance Plans (a) (Col 10 x Col 11 Line 4) (11)	Adjusted Kentucky Jurisdictional Capitalization (Col 9 + Col 11) (12)	Adjusted Capital Structure (13)	Annual Cost Rate (14)	Cost of Capital (Col 14 x Col 13) (15)
1. Short Term Debt	\$ -	0.00%	\$ -	\$ -	0.00%	0.48%	(b) 0.00%
2. Long Term Debt	1,610,326,363	46.30%	(85,030,505)	1,525,295,858	46.30%	3.69%	(b) 1.71%
3. Common Equity	1,868,026,247	53.70%	(98,636,561)	1,769,389,686	53.70%	11.00%	(c) 5.91%
4. Total Capitalization	<u>\$ 3,478,352,610</u>	<u>100.00%</u>	<u>\$ (183,667,066)</u>	<u>\$ 3,294,685,544</u>	<u>100.00%</u>		<u>7.62%</u>

- (a) Supporting Schedule-Exhibit 3, Page 1, Line 19, Column 5 \$ 183,667,066
(b) Embedded cost as of June 30, 2012
(c) Recommended Rate of Return on Common Equity

**KENTUCKY UTILITIES COMPANY
ANALYSIS OF THE EMBEDDED COST OF CAPITAL AT
June 30, 2012**

LONG-TERM DEBT									
	Due	Rate	Principal	Interest	Annualized Cost				Embedded Cost
					Amortized Debt Issuance Exp/Discount	Amortized Loss-Reacquired Debt	Letter of Credit and other fees	Total	
Pollution Control Bonds -									
Mercer Co. 2000 Series A	05/01/23	0.190% *	\$ 12,900,000	\$ 24,510	\$ -	\$ 46,743	\$ 156,549 a	\$ 227,802	1.766%
Carroll Co. 2002 Series A	02/01/32	0.400% *	20,930,000	83,720	4,104	36,300	20,930 b	145,054	0.693%
Carroll Co. 2002 Series B	02/01/32	0.500% *	2,400,000	12,000	2,856	4,164	2,400 b	21,420	0.893%
Muhlenberg Co. 2002 Series A	02/01/32	0.500% *	2,400,000	12,000	1,140	12,744	2,400 b	28,284	1.179%
Mercer Co. 2002 Series A	02/01/32	0.500% *	7,400,000	37,000	3,180	12,900	7,400 b	60,480	0.817%
Carroll Co. 2002 Series C	10/01/32	0.242% *	96,000,000	232,320	73,658	186,036	300,538 c	792,552	0.826%
Carroll Co. 2004 Series A	10/01/34	0.210% *	50,000,000	105,000	-	105,023	609,493 a	819,516	1.639%
Carroll Co. 2006 Series B	10/01/34	0.200% *	54,000,000	108,000	47,920	-	658,985 a	814,905	1.509%
Carroll Co. 2007 Series A	02/01/26	5.750%	17,875,000	1,027,813	33,342	-	-	1,061,155	5.937%
Trimble Co. 2007 Series A	03/01/37	6.000%	8,927,000	535,620	16,072	-	-	551,692	6.180%
Carroll Co. 2008 Series A	02/01/32	0.200% *	77,947,405	155,895	34,400	-	951,225 a	1,141,520	1.464%
Called Bonds				-	-	201,063 1		201,063	
First Mortgage Bonds -									
2010 due 2015	11/01/15	1.625%	250,000,000	4,062,500	461,126 **	-	-	4,523,626	1.809%
Debt discount on FMB	11/01/15	1.625%	(590,625)		175,000 **			175,000	-29.630%
2010 due 2020	11/01/20	3.250%	500,000,000	16,250,000	418,360 **	-	-	16,668,360	3.334%
Debt discount on FMB	11/01/15	3.250%	(1,582,875)		189,000 **			189,000	-11.940%
2010 due 2040	11/01/40	5.125%	750,000,000	38,437,500	249,641 **	-	-	38,687,141	5.158%
Debt discount on FMB	11/01/40	5.125%	(7,696,719)		271,250 **			271,250	-3.524%
S-3 SEC Shelf Registration	03/27/15				1,667			1,667	
Revolving Credit Facility	10/19/16						500,000		
Letter of Credit Facility	04/29/14								
Total External Debt			<u>\$ 1,840,909,186</u>	<u>\$ 61,083,878</u>	<u>\$ 3,066,986</u>	<u>\$ 604,973</u>	<u>\$ 3,209,920</u>	<u>\$67,965,757</u>	3.692%
Notes Payable to PPL.	2		\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	
Total Internal Debt			<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	0.000%
Total			<u>\$ 1,840,909,186</u>	<u>\$ 61,083,878</u>	<u>\$ 3,066,986</u>	<u>\$ 604,973</u>	<u>\$ 3,209,920</u>	<u>\$67,965,757</u>	3.692%

SHORT-TERM DEBT									
	Rate	Principal	Interest	Annualized Cost				Embedded Cost	
				Expense	Loss	Premium	Total		
Notes Payable to Associated Company	0.480% *	\$ 6,336,000	\$ 30,413	\$ -	\$ -	\$ -	\$ 30,413	0.480%	
Revolving Credit Facility Payable		-	-	-	-	-	-	0.000%	
Commercial Paper Program	Varies	-	-	-	-	-	-	0.000%	
Total		<u>\$ 6,336,000</u>	<u>\$ 30,413</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 30,413</u>	0.480%	

Embedded Cost of Total Debt			<u>\$ 1,847,245,186</u>	<u>\$ 61,114,291</u>	<u>\$ 3,066,986</u>	<u>\$ 604,973</u>	<u>\$ 3,209,920</u>	<u>\$67,996,170</u>	3.681%
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* Composite rate at end of current month.
** Debt discount shown on separate line.

1 Series P and R bonds were redeemed in 2003, and 2005, respectively. They were not replaced with other bond series. The remaining unamortized expense is being amortized over the remainder of the original lives (due 5/15/07, 6/1/25, 6/1/35, and 6/1/36 respectively) of the bonds as loss on reacquired debt.

2 Fidelia Notes Payable were paid off on 11/1/2010 with PPL Notes Payable that were paid off with the new FMB issues on 11/16/2010.

3 Included setup fees for the Wachovia Credit Facility in Long-term Debt due to 4 year credit arrangement

4 Credit Facility amended effective October 19, 2011. New term of 5 years at lower interest rate.

a - Letter of credit fee = (principal bal + 45 days interest)*2% L/C Fee and .25% L/C Fronting Fee. Rate based on company credit rating. Remarketing Fee = 10 basis points.

b - Remarketing fee = 10 basis points

c - Remarketing fee = 25 basis points

Exhibit 1

Reference Schedule 1.09

Sponsoring Witness: Bellar

KENTUCKY UTILITIES

**To Adjust Off-System Sales Margins
For the Twelve Months Ended March 31, 2012**

Updated to reflect actual Off-System Sales Margins through June 2012

1. Off-System Sales Margins for 2012 (January - June 2012)	\$ 226,113
2. Annualized Off-System Sales Margins for 2012 (Line 1 x 12/6)	\$ 452,225
3. Off-System Sales Margins in test year	\$ 903,033
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4. Off-System Sales Margins adjustment (Line 2 - Line 3)	\$ (450,808)
5. Kentucky Jurisdiction (Ref. Sch. Allocators)	86.757%
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6. Kentucky Jurisdictional adjustment	\$ (391,107)
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NOTE: Off-System sales margins defined as Total OSS revenues less assigned fuel and purchase power expense, transmission costs, environmental costs, and cost of losses.

KENTUCKY UTILITIES COMPANY

CASE NO. 2012-00221

**UPDATED Response to Commission Staff's First Request for Information
Dated June 15, 2012**

Updated Response filed July 31, 2012

Question No. 44

Responding Witness: Valerie L. Scott

- Q-44. Provide detailed monthly income statements for each month after the test year, including the month in which the hearing ends, as they become available.
- A-44. See attached income statements for June 2012. Income statements for subsequent months will be provided as they become available.

KU's monthly financial statements also continue to be filed with the Commission under separate cover with the Commission pursuant to 807 KAR 5:006 Section 3(4).

KENTUCKY UTILITIES COMPANY

Financial Reports

June 30, 2012

Kentucky Utilities Company
Comparative Statement of Income
June 30, 2012

	Current Month			
	This Year Amount	Last Year Amount	Increase or Decrease Amount	%
Electric Operating Revenues.....	\$ 132,634,371.01	\$ 133,025,751.99	\$ (391,380.98)	\$ (0.29)
Rate Refunds.....	-	-	-	-
Total Operating Revenues.....	132,634,371.01	133,025,751.99	(391,380.98)	(0.29)
Fuel for Electric Generation.....	49,931,847.60	51,080,753.18	(1,148,905.58)	(2.25)
Power Purchased.....	4,110,797.18	4,961,514.11	(850,716.93)	(17.15)
Other Operation Expenses.....	19,991,706.37	20,353,304.26	(361,597.89)	(1.78)
Maintenance.....	10,520,405.81	9,885,118.94	635,286.87	6.43
Depreciation.....	15,705,839.44	15,226,844.03	478,995.41	3.15
Amortization Expense.....	682,285.51	602,329.81	79,955.70	13.27
Regulatory Credits.....	(526,270.34)	(473,137.66)	(53,132.68)	(11.23)
Taxes				
Federal Income.....	(19,096,071.53)	(16,089,366.68)	(3,006,704.85)	(18.69)
State Income.....	(1,817,430.91)	(963,179.88)	(854,251.03)	(88.69)
Deferred Federal Income - Net.....	27,686,303.10	23,593,701.47	4,092,601.63	17.35
Deferred State Income - Net.....	2,766,541.00	2,074,513.77	692,027.23	33.36
Property and Other.....	2,757,975.66	2,313,840.66	444,135.00	19.19
Investment Tax Credit.....	-	-	-	-
Loss (Gain) from Disposition of Allowances.....	-	-	-	-
Accretion Expense.....	265,731.65	229,165.18	36,566.47	15.96
Total Operating Expenses.....	112,979,660.54	112,795,401.19	184,259.35	0.16
Net Operating Income.....	19,654,710.47	20,230,350.80	(575,640.33)	(2.85)
Other Income Less Deductions				
Amortization of Investment Tax Credit.....	233,341.75	233,343.00	(1.25)	(0.00)
Other Income Less Deductions.....	(262,153.72)	609,872.64	(872,026.36)	(142.99)
AFUDC - Equity.....	2,281.47	3,787.83	(1,506.36)	(39.77)
Total Other Income Less Deductions.....	(26,530.50)	847,003.47	(873,533.97)	(103.13)
Income Before Interest Charges.....	19,628,179.97	21,077,354.27	(1,449,174.30)	(6.88)
Interest on Long-Term Debt.....	5,087,888.09	5,087,278.50	609.59	0.01
Amortization of Debt Expense - Net.....	305,996.53	320,194.75	(14,198.22)	(4.43)
Other Interest Expenses.....	364,327.46	618,531.83	(254,204.37)	(41.10)
AFUDC - Borrowed Funds.....	(541.69)	(1,155.51)	613.82	53.12
Total Interest Charges.....	5,757,670.39	6,024,849.57	(267,179.18)	(4.43)
Net Income.....	\$ 13,870,509.58	\$ 15,052,504.70	\$ (1,181,995.12)	\$ (7.85)

Kentucky Utilities Company
Comparative Statement of Income
June 30, 2012

	Year to Date			
	This Year Amount	Last Year Amount	Increase or Decrease Amount	%
Electric Operating Revenues.....	\$ 753,982,684.56	\$ 771,232,868.59	\$ (17,250,184.03)	\$ (2.24)
Rate Refunds.....	-	-	-	-
Total Operating Revenues.....	753,982,684.56	771,232,868.59	(17,250,184.03)	(2.24)
Fuel for Electric Generation.....	250,540,467.91	257,419,703.04	(6,879,235.13)	(2.67)
Power Purchased.....	55,926,648.12	57,694,127.77	(1,767,479.65)	(3.06)
Other Operation Expenses.....	114,492,063.23	114,921,100.45	(429,037.22)	(0.37)
Maintenance.....	73,542,285.94	63,263,719.43	10,278,566.51	16.25
Depreciation.....	93,932,519.73	89,737,522.42	4,194,997.31	4.67
Amortization Expense.....	3,979,495.64	3,498,810.87	480,684.77	13.74
Regulatory Credits.....	(3,140,764.18)	(2,850,407.05)	(290,357.13)	(10.19)
Taxes				
Federal Income.....	(12,751,407.31)	(3,174,533.87)	(9,576,873.44)	(301.68)
State Income.....	177,598.59	4,509,943.73	(4,332,345.14)	(96.06)
Deferred Federal Income - Net.....	51,039,712.16	48,680,498.78	2,359,213.38	4.85
Deferred State Income - Net.....	5,666,126.25	2,692,792.20	2,973,334.05	110.42
Property and Other.....	15,550,422.28	13,890,498.78	1,659,923.50	11.95
Investment Tax Credit.....	-	-	-	-
Loss (Gain) from Disposition of Allowances.....	(886.52)	(3,293.39)	2,406.87	73.08
Accretion Expense.....	1,577,532.21	1,361,583.68	215,948.53	15.86
Total Operating Expenses.....	650,531,814.05	651,642,066.84	(1,110,252.79)	(0.17)
Net Operating Income.....	103,450,870.51	119,590,801.75	(16,139,931.24)	(13.50)
Other Income Less Deductions				
Amortization of Investment Tax Credit.....	1,400,055.49	1,286,347.00	113,708.49	8.84
Other Income Less Deductions.....	(2,571,479.83)	694,209.56	(3,265,689.39)	(470.42)
AFUDC - Equity.....	18,171.33	14,145.38	4,025.95	28.46
Total Other Income Less Deductions.....	(1,153,253.01)	1,994,701.94	(3,147,954.95)	(157.82)
Income Before Interest Charges.....	102,297,617.50	121,585,503.69	(19,287,886.19)	(15.86)
Interest on Long-Term Debt.....	30,489,094.85	30,738,892.42	(249,797.57)	(0.81)
Amortization of Debt Expense - Net.....	1,835,562.51	1,803,028.70	32,533.81	1.80
Other Interest Expenses.....	2,253,426.05	2,922,826.23	(669,400.18)	(22.90)
AFUDC - Borrowed Funds.....	(4,654.54)	(4,300.33)	(354.21)	(8.24)
Total Interest Charges.....	34,573,428.87	35,460,447.02	(887,018.15)	(2.50)
Net Income.....	\$ 67,724,188.63	\$ 86,125,056.67	\$ (18,400,868.04)	\$ (21.37)

Kentucky Utilities Company
Comparative Statement of Income
June 30, 2012

	Year Ended Current Month			
	This Year Amount	Last Year Amount	Increase or Decrease Amount	%
Electric Operating Revenues.....	\$ 1,530,266,802.07	\$ 1,553,031,965.04	\$ (22,765,162.97)	\$ (1.47)
Rate Refunds.....	-	6.12	(6.12)	(100.00)
Total Operating Revenues.....	1,530,266,802.07	1,553,031,971.16	(22,765,169.09)	(1.47)
Fuel for Electric Generation.....	515,769,406.98	508,775,147.86	6,994,259.12	1.37
Power Purchased.....	107,347,468.09	138,058,940.64	(30,711,472.55)	(22.25)
Other Operation Expenses.....	233,079,653.72	225,858,095.42	7,221,558.30	3.20
Maintenance.....	126,581,935.20	121,666,418.73	4,915,516.47	4.04
Depreciation.....	186,121,785.43	163,660,075.88	22,461,709.55	13.72
Amortization Expense.....	7,744,129.18	6,789,970.66	954,158.52	14.05
Regulatory Credits.....	(6,145,997.06)	(6,754,553.20)	608,556.14	9.01
Taxes				
Federal Income.....	(16,518,325.55)	44,758,744.98	(61,277,070.53)	(136.91)
State Income.....	122,834.01	15,726,157.54	(15,603,323.53)	(99.22)
Deferred Federal Income - Net.....	103,947,992.41	47,456,685.15	56,491,307.26	119.04
Deferred State Income - Net.....	12,947,793.84	907,000.14	12,040,793.70	1,327.54
Property and Other.....	29,775,689.96	23,729,141.86	6,046,548.10	25.48
Investment Tax Credit.....	-	-	-	-
Loss (Gain) from Disposition of Allowances.....	(886.52)	(16,020.32)	15,133.80	94.47
Accretion Expense.....	3,043,065.39	3,763,660.83	(720,595.44)	(19.15)
Total Operating Expenses.....	1,303,816,545.08	1,294,379,466.17	9,437,078.91	0.73
Net Operating Income.....	226,450,256.99	258,652,504.99	(32,202,248.00)	(12.45)
Other Income Less Deductions				
Amortization of Investment Tax Credit.....	2,800,109.49	1,321,897.00	1,478,212.49	111.83
Other Income Less Deductions.....	(1,515,959.71)	841,449.06	(2,357,408.77)	(280.16)
AFUDC - Equity.....	46,687.53	630,968.57	(584,281.04)	(92.60)
Total Other Income Less Deductions.....	1,330,837.31	2,794,314.63	(1,463,477.32)	(52.37)
Income Before Interest Charges.....	227,781,094.30	261,446,819.62	(33,665,725.32)	(12.88)
Interest on Long-Term Debt.....	60,990,752.85	67,001,872.68	(6,011,119.83)	(8.97)
Amortization of Debt Expense - Net.....	3,760,740.20	2,581,521.37	1,179,218.83	45.68
Other Interest Expenses.....	4,708,382.30	5,103,915.51	(395,533.21)	(7.75)
AFUDC - Borrowed Funds.....	(13,309.29)	(501,054.66)	487,745.37	97.34
Total Interest Charges.....	69,446,566.06	74,186,254.90	(4,739,688.84)	(6.39)
Net Income.....	\$ 158,334,528.24	\$ 187,260,564.72	\$ (28,926,036.48)	\$ (15.45)

KENTUCKY UTILITIES COMPANY

CASE NO. 2012-00221

**UPDATED Response to Commission Staff's First Request for Information
Dated June 15, 2012**

Updated Response filed July 31, 2012

Question No. 55

Responding Witness: Lonnie E. Bellar

Q-55. Provide the following information concerning the costs for the preparation of this case:

a. A detailed schedule of expenses incurred to date for the following categories:

- (1) Accounting;
- (2) Engineering;
- (3) Legal;
- (4) Consultants; and
- (5) Other Expenses (Identify separately).

For each category, the schedule should include the date of each transaction, check number or other document reference, the vendor, the hours worked, the rates per hour, amount, a description of the services performed, and the account number in which the expenditure was recorded. Provide copies of any invoices, contracts, or other documentation that support charges incurred in the preparation of this rate case. Indicate any costs incurred for this case that occurred during the test year.

- b. An itemized estimate of the total cost to be incurred for this case. Expenses should be broken down into the same categories as identified in (a) above, with an estimate of the hours to be worked and the rates per hour. Include a detailed explanation of how the estimate was determined, along with all supporting workpapers and calculations.
- c. During the course of this proceeding, provide monthly updates of the actual costs incurred, in the manner requested in (a) above. Updates will be due the last business day of each month, through the month of the public hearing.

A-55. c. Consistent with its commitments in the initial response to this request for information and past practice, please see the attached.

KENTUCKY UTILITIES COMPANY

CASE NO. 2012-00221

Schedule of Rate Case Preparation Costs

Response to Commission's Order

Dated June 15, 2012

Question No. 55(c)

Responding Witness: Lonnie E. Bellar

Date	Invoice #	Vendor Name	Hours (1)	Rate/Hr	Amount	Description	Account
4-Apr-12	710455	STOLL KEENON OGDEN PLLC	4.05	346.50	1,403.33	Professional Services	182335
20-Apr-12	712685	STOLL KEENON OGDEN PLLC	43.36	289.80	12,566.45	Professional Services	182335
11-May-12	716506	STOLL KEENON OGDEN PLLC	84.13	254.51	21,412.09	Professional Services	182335
		SUBTOTAL LEGAL OUTSIDE COUNSEL KU ELECTRIC @ 05/31/2012			<u>35,381.87</u>		
18-Jun-12	718672	STOLL KEENON OGDEN PLLC	183.44	251.85	46,198.20	Professional Services	182335
		SUBTOTAL LEGAL OUTSIDE COUNSEL KU ELECTRIC			<u>46,198.20</u>		
		TOTAL LEGAL OUTSIDE COUNSEL KU ELECTRIC			<u>81,580.07</u>		182335
16-Apr-12	420121	THE PRIME GROUP LLC	12.96	177.08	2,295.00	Cost of service and rate design development	182335
4-May-12	520121	THE PRIME GROUP LLC	81.54	169.85	13,849.61	Cost of service and rate design development	182335
11-May-12	FINANC043012	FINANCIAL CONCEPTS AND APPLICATIONS INC	5.40	381.20	2,058.48	Research, analysis and testimony preparation	182335
		SUBTOTAL CONSULTANTS KU ELECTRIC @ 05/31/2012			<u>18,203.09</u>		
1-Jun-12	0543811204028	GANNETT FLEMING INC	33.50	142.09	4,760.00	Depreciation consulting services	182335
12-Jun-12	620121	THE PRIME GROUP LLC	120.42	151.50	18,244.01	Cost of service and rate design development	182335
26-Jun-12	018560512	FINANCIAL CONCEPTS AND APPLICATIONS INC	2.70	275.00	742.49	Research, analysis, and testimony preparation	182335
		SUBTOTAL CONSULTANTS KU ELECTRIC			<u>23,746.50</u>		
		TOTAL CONSULTANTS KU ELECTRIC			<u>41,949.59</u>		182335
		TOTAL RATE CASE EXPENSES @ 06/30/12			<u>123,529.66</u>		182335

Note (1) - Hours are calculated based on information provided on the billing statement.

INVOICE

Invoice Information

Firm/Vendor: Stoll Keenon Ogden
Office: Payment Address
Invoice Number: 718672
Date of Invoice: 05/18/2012
Billing Period: 03/27/2012 - 04/30/2012
Date Posted: 05/18/2012
Invoice Description/Comment: 2012 KY Base Rate Case

Amount Approved

Approved Total

Invoice Currency: USD

Date Approved:

Final Approver:

Approved Fees

Approved Expenses

Comments to AP: LEGAL SERVICES

Accounting Code Allocations

<u>Cost Center</u>	<u>GL Account</u>	<u>Expense Type</u>	<u>Amount</u>	<u>Percentage</u>	<u>Comment</u>
125973	KU RC-EL 2012	0321 026900		54%	
125974	LGE RC- GS 2012	0321 026900		11.3%	
125975	LGE RC-EL 2012	0321 026900		34.7%	

Vendor Address & Tax Information in Serengeti Tracker

Stoll Keenon Ogden
Post Office Box 11969
Lexington, Kentucky 40509

Tel: 502-333-6000

Fax: 502-333-6099

Remittance Address

Same as mail address

Vendor Tax ID: 61-0421389

VAT ID: -

GST ID: -

HST ID: -

PST ID: –

Amount Billed

Billed Total **\$85,552.23**
Invoice Currency: USD
Billed Fees \$85,433.71
Billed Expenses \$118.52

Approval History

<u>User</u>	<u>Action</u>	<u>Date</u>	<u>Amount</u>	<u>Comment</u>
Amy Smith	Posted	05/18/2012	\$85,552.23	
Kathy Wilson	TK Rates Approved	05/25/2012		
Kathy Wilson	Approved	05/25/2012	\$85,552.23	
Allyson Sturgeon	Pending			
Dot O'Brien	Pending			
Kathy Wilson	Pending			

Additional Financial Information

Oracle Vendor Number: 40033
Vendor Pay Site: PY-LEXINGTON
Name of Invoice File in .Zip: Stoll Keenon Ogden - 718672.html
Comments to Firm:
AP Route: Default AP Route

Matter Information

Matter Name (Short): Rate Case Kentucky 2012
Company File No.: 30432
Lead Company Person: Sturgeon, Allyson
Organizational Unit: LKE > KU and LG&E > Corporate
Practice Group: LKE Legal > Regulatory > State
Law Firm Matter No.: 142301
Country (in Matter): United States

Invoice Line Items:

<u>Date</u>	<u>Description</u>	<u>Narrative</u>
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<u>Timekeeper</u>	<u>Units</u>	<u>Rate</u>	<u>Adjust</u>	<u>Amount</u>
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Attachment to Updated Response to Question No. 55(c)

04/02/2012 -	Work on testimony outlines.	Crosby, III, W. Duncan	4.7	\$224.84	\$1,056.75
04/02/2012 -	Work on testimony and rate case issues.	Riggs, Kendrick	7	\$357.22	\$2,500.54
04/03/2012 -	Attend meeting at LG&E/KU with Ms. Sturgeon and others re regulatory issues and strategies; follow-up on same; work on testimony.	Riggs, Kendrick	4.5	\$357.22	\$1,607.49
04/03/2012 -	Emails to client regarding testimony outlines; review edits to outlines; revise and send Thompson testimony outline	Braun, Monica	1.3	\$184.50	\$239.85
04/03/2012 -	Review documents and memoranda prepared for rate case; conference call re same	Eversole, Deborah	1.6	\$316.34	\$506.14
04/03/2012 -	Research for Bellar testimony.	Crosby, III, W. Duncan	0.9	\$224.84	\$202.36
04/04/2012 -	Attend phone conference re: pending matters in rate case	Thacker, Chris	1	\$198.00	\$198.00
04/04/2012 -	Prepare for and attend conference call	Ingram, III, Lindsey	0.7	\$286.16	\$200.31
04/04/2012 -	Conference call re pending matters; telephone Ms. Wiseman, Mr. Eric Riggs, and Mr. Spanos re depreciation; review files re depreciation witnesses; draft memo re depreciation issues; e-mail re depreciation issues	Watt, Robert	2.5	\$357.22	\$893.05
04/04/2012 -	Attend various meetings at LG&E/KU with Ms. Sturgeon and others re rate case issues; work on testimony; work on analysis of regulatory issues	Riggs, Kendrick	8.2	\$357.22	\$2,929.20
04/04/2012 -	Call with client re rate case issues; work on testimony.	Crosby, III, W. Duncan	1.3	\$224.84	\$292.29
04/04/2012 -	Draft Thompson testimony; attend phone conference with Ms. Sturgeon regarding rate case issues; attend meeting by phone regarding pro forma adjustments; attend meeting by phone regarding Hermann testimony; review list of pro forma adjustments by witness	Braun, Monica	9.8	\$184.50	\$1,808.10
04/05/2012 -	Revise depreciation memo and send to Ms. Sturgeon	Watt, Robert	0.3	\$357.23	\$107.17
04/05/2012 -	Work on Bellar testimony.	Crosby, III, W. Duncan	1.6	\$224.84	\$359.74
04/05/2012 -	Attend meeting at LG&E/KU with Ms. Sturgeon and others re regulatory issues; work on testimony.	Riggs, Kendrick	1.4	\$357.22	\$500.11
04/05/2012 -	Work on Thompson testimony; work on Hermann testimony; phone calls and emails to client regarding same	Braun, Monica	5.8	\$184.50	\$1,070.10
04/06/2012 -	Work on Hermann testimony	Braun, Monica	4.7	\$184.50	\$867.15
04/06/2012 -	Work on Bellar testimony.	Crosby, III, W. Duncan	1.4	\$224.84	\$314.78
04/07/2012 -	Work on Hermann testimony	Braun, Monica	2.6	\$184.50	\$479.70
04/09/2012 -	Attend phone conference re: pending matters in rate case	Thacker, Chris	0.8	\$198.00	\$158.40
04/09/2012 -	In-house conference call re rate case preparation and issues; pull memorandum re procedures concerning gas risers	Eversole, Deborah	0.8	\$316.34	\$253.07
04/09/2012 -	Assist with Hermann testimony	Stephens, Molly	0.2	\$147.95	\$29.59
04/09/2012 -	Work on Hermann testimony	Braun, Monica	6.4	\$184.50	\$1,180.80
04/09/2012 -	Research rate case issues.	Dunn, Barry	1.2	\$180.00	\$216.00
04/09/2012 -	Conference call re pending matters; research testimony and orders of depreciation witnesses	Watt, Robert	2	\$357.22	\$714.44
04/09/2012 -	Work on Bellar testimony.	Crosby, III, W. Duncan	2.8	\$224.84	\$629.55
04/09/2012 -	Attend status call; work on ROE issues; conference with expert re: same	Ingram, III, Lindsey	1.5	\$286.16	\$429.24
04/09/2012 -	Work on testimony.	Riggs, Kendrick	2.5	\$357.22	\$893.05
04/10/2012 -	Work on testimony.	Crosby, III, W. Duncan	3.6	\$224.84	\$809.42

04/10/2012	-	ROE efforts and review client correspondence	Ingram, III, Lindsey	0.8	\$286.16	\$228.93
04/10/2012	-	Draft Thompson testimony; draft Hermann testimony	Braun, Monica	6.1	\$184.50	\$1,125.45
04/10/2012	-	Pull documents concerning gas riser tracker and CPCN; review portions of KPSC order	Eversole, Deborah	1.1	\$316.34	\$347.97
04/10/2012	-	Work on testimony.	Riggs, Kendrick	2.8	\$357.22	\$1,000.22
04/11/2012	-	Work on Thompson, Hermann, Charnas, Scott and Blake testimony	Braun, Monica	2.7	\$184.50	\$498.15
04/11/2012	-	Work on testimony.	Crosby, III, W. Duncan	0.8	\$224.84	\$179.87
04/11/2012	-	Prepare for and conduct ROE phone call; notes re: same; work on electronic case issues and correspondence re: same; review ROE authority	Ingram, III, Lindsey	3.3	\$286.16	\$944.33
04/12/2012	-	Review file and telephone Mr. Murphy re GCA tariff	Watt, Robert	0.8	\$357.23	\$285.78
04/12/2012	-	Research adjustments.	Dunn, Barry	0.7	\$180.00	\$126.00
04/12/2012	-	Review file re pipeline replacement tariffs	Watt, Robert	0.5	\$357.22	\$178.61
04/12/2012	-	Continue ROE work; work on electronic case issues	Ingram, III, Lindsey	1.5	\$286.16	\$429.24
04/12/2012	-	Work on testimony.	Crosby, III, W. Duncan	3.8	\$224.84	\$854.39
04/12/2012	-	Work on testimony	Braun, Monica	5.9	\$184.50	\$1,088.55
04/12/2012	-	Work on testimony.	Riggs, Kendrick	6	\$357.22	\$2,143.32
04/13/2012	-	Conference call re depreciation; examine proposed gas tariff revisions	Watt, Robert	1.3	\$357.22	\$464.39
04/13/2012	-	Work on testimony.	Riggs, Kendrick	1.5	\$357.22	\$535.83
04/13/2012	-	Work on Thompson, Hermann and Blake testimony	Braun, Monica	2.6	\$184.50	\$479.70
04/13/2012	-	Work on testimony.	Crosby, III, W. Duncan	2.8	\$224.84	\$629.55
04/13/2012	-	Research rate case adjustments.	Dunn, Barry	4	\$180.00	\$720.00
04/14/2012	-	Work on Hermann testimony; work on Blake testimony	Braun, Monica	4.4	\$184.50	\$811.80
04/15/2012	-	Work on Thompson testimony; work on Blake testimony	Braun, Monica	6.2	\$184.50	\$1,143.90
04/15/2012	-	Work on testimony.	Riggs, Kendrick	2	\$357.22	\$714.44
04/16/2012	-	Review drafts of testimony and forward corrections to Ms. Braun	Eversole, Deborah	0.9	\$316.34	\$284.71
04/16/2012	-	Work on testimony.	Crosby, III, W. Duncan	1.7	\$224.84	\$382.23
04/16/2012	-	Examine and edit gas tariffs and Murphy testimony	Watt, Robert	3.3	\$357.22	\$1,178.83
04/16/2012	-	Research financial matters.	Dunn, Barry	9.5	\$180.00	\$1,710.00
04/16/2012	-	Work on Thompson, Hermann and Blake testimony	Braun, Monica	4.9	\$184.50	\$904.05
04/16/2012	-	Work on testimony and filing.	Riggs, Kendrick	4	\$357.22	\$1,428.88
04/16/2012	-	Review Arbough testimony regarding debt structure.	Hendricks, J. Wade	0.3	\$295.90	\$88.77
04/16/2012	-	Work on Hermann testimony	Stephens, Molly	0.3	\$147.97	\$44.39
04/16/2012	-	Attend status call; attention to electronic case issues	Ingram, III, Lindsey	1	\$286.16	\$286.16
04/17/2012	-	Work on testimony.	Riggs, Kendrick	5	\$357.22	\$1,786.10
04/17/2012	-	Draft testimony and conduct research.	Dunn, Barry	4.4	\$180.00	\$792.00
04/17/2012	-	E-mail re depreciation study and memo re depreciation meeting	Watt, Robert	0.5	\$357.22	\$178.61
04/17/2012	-	Work on Blake testimony	Braun, Monica	6.6	\$184.50	\$1,217.70
04/17/2012	-	Draft of testimony.	Crosby, III, W. Duncan	4.4	\$224.84	\$989.30
04/18/2012	-	Research for meeting on Friday re rate issues	Crosby, III, W. Duncan	1.7	\$224.84	\$382.23
04/18/2012	-	Draft Blake, Scott and Charnas testimony	Braun, Monica	7.2	\$184.50	\$1,328.40
04/18/2012	-	Work on testimony.	Riggs, Kendrick	2.6	\$357.22	\$928.77
04/18/2012	-	Conference call with Mr. Cornett, Mr. Murphy and Ms. Jaynes re rate case issues	Watt, Robert	0.8	\$357.23	\$285.78
04/19/2012	-	Analysis of various tariff change proposals.	Crosby, III, W. Duncan	2.3	\$224.84	\$517.13
04/19/2012	-	Work on Scott and Charnas testimonies	Braun, Monica	3.1	\$184.50	\$571.95

04/19/2012 -	Prepare testimony.	Dunn, Barry	0.5	\$180.00	\$90.00
04/19/2012 -	Work on testimony.	Riggs, Kendrick	4	\$357.22	\$1,428.88
04/19/2012 -	Prepare ROE correspondence to client; review Avera testimony for same	Ingram, III, Lindsey	1	\$286.16	\$286.16
04/20/2012 -	Work on Scott and Charnas testimony	Braun, Monica	2.4	\$184.50	\$442.80
04/20/2012 -	Work on testimony; prepare for and attend meeting at LG&E/KU with Ms. Sturgeon re rate design issues.	Riggs, Kendrick	8.5	\$357.22	\$3,036.37
04/20/2012 -	Review and update testimony after receiving exhibits.	Dunn, Barry	0.4	\$180.00	\$72.00
04/20/2012 -	Work on ROE issue; teleconferences with A. McKenzie re: same; correspondence to client	Ingram, III, Lindsey	1.2	\$286.16	\$343.39
04/20/2012 -	Research on rate issues; meeting with client re tariffs.	Crosby, III, W. Duncan	5.2	\$224.84	\$1,169.17
04/22/2012 -	Draft and research testimony.	Dunn, Barry	0.3	\$180.00	\$54.00
04/22/2012 -	Work on Blake, Charnas and Scott testimonies	Braun, Monica	7.8	\$184.50	\$1,439.10
04/22/2012 -	Work on testimony.	Riggs, Kendrick	5.5	\$357.22	\$1,964.71
04/23/2012 -	Attend status call	Ingram, III, Lindsey	0.4	\$286.15	\$114.46
04/23/2012 -	Research rate case orders	Fischer, Wenda	2	\$60.00	\$120.00
04/23/2012 -	Work on Scott, Charnas, Blake and Staffieri testimony	Braun, Monica	6.4	\$184.50	\$1,180.80
04/23/2012 -	Draft testimony. Meeting with legal team.	Dunn, Barry	4	\$180.00	\$720.00
04/23/2012 -	Revisions to draft testimony.	Crosby, III, W. Duncan	3.8	\$224.84	\$854.39
04/23/2012 -	Conference call to address issues re: rate case	Thacker, Chris	0.7	\$198.00	\$138.60
04/23/2012 -	Conference call re pending matters; research re abbreviated newspaper notice; e-mail re various issues	Watt, Robert	1	\$357.22	\$357.22
04/23/2012 -	Work on testimony.	Riggs, Kendrick	7	\$357.22	\$2,500.54
04/23/2012 -	In-house conference re issues in rate case	Eversole, Deborah	0.5	\$316.34	\$158.17
04/24/2012 -	Work on testimony; analysis of regulatory issues.	Riggs, Kendrick	4.6	\$357.22	\$1,643.21
04/24/2012 -	Correspondence re: ROE call	Ingram, III, Lindsey	0.3	\$286.17	\$85.85
04/24/2012 -	Research notice.	Dunn, Barry	0.5	\$180.00	\$90.00
04/24/2012 -	Work on Staffieri and Thompson testimony	Braun, Monica	6.9	\$184.50	\$1,273.05
04/25/2012 -	Work on Staffieri, Thompson and Hermann testimony	Braun, Monica	3.2	\$184.50	\$590.40
04/25/2012 -	Research notice requirements.	Dunn, Barry	1.8	\$180.00	\$324.00
04/25/2012 -	Prepare for and attend meeting at LG&E/KU with Ms. Sturgeon and others to discuss return on capital issues; prepare for and attend meeting with Ms. Sturgeon and others to discuss revenue requirement issues; work on testimony.	Riggs, Kendrick	4	\$357.22	\$1,428.88
04/25/2012 -	Work on testimony	Stephens, Molly	0.8	\$147.95	\$118.36
04/25/2012 -	Prepare for and attend ROE call	Ingram, III, Lindsey	0.8	\$286.16	\$228.93
04/26/2012 -	Work on Staffieri, Hermann and Thompson testimony	Braun, Monica	1.7	\$184.50	\$313.65
04/26/2012 -	Research gas tariff language. Draft memorandum regarding notice.	Dunn, Barry	3.5	\$180.00	\$630.00
04/26/2012 -	Work on testimony.	Riggs, Kendrick	8.8	\$357.22	\$3,143.54
04/27/2012 -	Work on analysis of treatment of post rate adjustments	Thacker, Chris	0.3	\$198.00	\$59.40
04/27/2012 -	Work on testimony and issues related to same	Braun, Monica	1.8	\$184.50	\$332.10
04/28/2012 -	Work on chart of pro forma adjustments; work on Staffieri testimony; work on Hermann testimony	Braun, Monica	3.2	\$184.50	\$590.40
04/29/2012 -	Work on Thompson, Hermann, Scott, and Charnas testimonies and issues related to same	Braun, Monica	4.3	\$184.50	\$793.35
04/30/2012 -	Research and draft matters for Arbough testimony.	Dunn, Barry	3.4	\$180.00	\$612.00

04/30/2012	-	Conference call re rate case issues; review notice	Eversole, Deborah	0.7	\$316.34	\$221.44
04/30/2012	-	Work on testimony and regulatory issues; prepare for and attend meeting at LG&E/KU re pro forma adjustment / issues.	Riggs, Kendrick	7.1	\$357.22	\$2,536.26
04/30/2012	-	Work on rate case testimony.	Crosby, III, W. Duncan	1	\$224.84	\$224.84
04/30/2012	-	Telephone conference re: case status and pending issues	Thacker, Chris	1.3	\$198.00	\$257.40
04/30/2012	-	Work on Thompson, Hermann, and Staffieri; attend meeting telephonically with client regarding same	Braun, Monica	5.2	\$184.50	\$959.40
04/30/2012	-	Examine memo re alternative notice	Watt, Robert	1	\$357.22	\$357.22
04/30/2012	-	Review company testimony and abbreviated notice memo	Ingram, III, Lindsey	1.7	\$286.16	\$486.47
03/27/2012	E101 - Copying	Duplicating Charges		136	\$0.08	\$10.88
04/03/2012	E110 - Out-of-town Travel	Lodging, parking and etc. Reimburse 4/3 parking for meeting and LG & E/KU VENDOR: Riggs, Kendrick R; INVOICE#: 041312; DATE: 4/13/2012	Riggs, Kendrick	1	\$5.00	\$5.00
04/04/2012	E105 - Telephone	Telephone Expense 1(717)763-7211; 11 Mins.	Watt, Robert	1	\$1.10	\$1.10
04/04/2012	E105 - Telephone	Telephone Expense 1(717)763-7211; 1 Mins.	Watt, Robert	1	\$0.10	\$0.10
04/05/2012	E110 - Out-of-town Travel	Lodging, parking and etc. Reimburse 4/5 parking for meeting and LG & E/KU VENDOR: Riggs, Kendrick R; INVOICE#: 041312; DATE: 4/13/2012	Riggs, Kendrick	1	\$8.00	\$8.00
04/09/2012	E106 - Online Research	Lexis Charges	Watt, Robert	1	\$11.83	\$11.83
04/09/2012	E105 - Telephone	Telephone Expense 1(512)458-4644; 5 Mins.	Ingram, III, Lindsey	1	\$0.50	\$0.50
04/13/2012	E106 - Online Research	Lexis Charges	Dunn, Barry	1	\$79.17	\$79.17
04/20/2012	E105 - Telephone	Telephone Expense 1(512)458-4644; 1 Mins.	Ingram, III, Lindsey	1	\$0.10	\$0.10
04/23/2012	E105 - Telephone	Telephone Expense 1(512)923-2790; 1 Mins.	Ingram, III, Lindsey	1	\$0.10	\$0.10
04/24/2012	E105 - Telephone	Telephone Expense 1(512)458-4644; 5 Mins.	Ingram, III, Lindsey	1	\$0.50	\$0.50
04/24/2012	E105 - Telephone	Telephone Expense 1(502)696-5457; 1 Mins.	Ingram, III, Lindsey	1	\$0.10	\$0.10
04/26/2012	E105 - Telephone	Telephone Expense 1(512)458-4644; 1 Mins.	Ingram, III, Lindsey	1	\$0.10	\$0.10
04/30/2012	E101 - Copying	Duplicating Charges		13	\$0.08	\$1.04

INVOICE

Project: 054381

Date: May 24, 2012

LG&E and KU Services Company
Attn: Sara Wiseman, Manager Property Accounting
P.O. Box 32010
Louisville, KY 40232

GANNETT FLEMING, INC.
VALUATION AND RATE DIVISION

Send check payments to:
Gannett Fleming Companies
P.O. Box 829160
Philadelphia, PA 19182-9160

P.O. BOX 67100
HARRISBURG, PA 17106-7100
(717) 763-7211

Send ACH/EFT payments to:
ABA: 031312738
Acct No: 5003165655
Acct Name: Gannett Fleming Companies

Federal E.I.N. 251613591



Invoice: 054381*1204028

Invoice Period: March 24, 2012 through May 4, 2012

Contract No. 53159 - Rate Case

Summary of Current Charges

Phase 100	- KENTUCKY UTILITIES	\$ 4,760.00 ✓
Phase 200	- LG&E ELECTRIC	5,900.00 ✓
Phase 300	- LG&E GAS	2,110.00 ✓
Phase 400	- LG&E COMMON	850.00 ✓
Total Charges		\$ 13,620.00 ✓
Total Due This Invoice		\$13,620.00 ✓

PO# 63599

Debbie Hillcut

5/31/12

Project:	Task:	Exp Type:	Exp Org:	Amount
118321	RATECASE 2012E	314	026120	\$4,760.00
118326	RATECASE 2012E	314	026120	\$6,503.50
118326	RATECASE 2012G	314	026120	\$2,356.50

Req # 90102
5/29/12

OK to pay
Sara Wiseman

RECEIVED

MAY 31 2012

ACCOUNTS PAYABLE

GANNETT FLEMING, INC.
VALUATION AND RATE DIVISION

Invoice Date: May 24, 2012
 Invoice No: 054381*1204028

Project: 054381 LG&E and KU Services Company

Phase 100 -- Kentucky Utilities

Labor Costs

<u>Labor Classification</u>	<u>Hours</u>	<u>Rate</u>	<u>Amount</u>
Assistant Analyst	4.50	\$ 110.00 ✓	\$ 495.00 ✓
Associate Analyst	12.00	125.00 ✓	1,500.00 ✓
John J. Spanos	11.00	205.00 ✓	2,255.00 ✓
Support Staff	6.00	85.00 ✓	510.00 ✓

Total Labor Costs \$ 4,760.00 ✓

Total Phase -- 100 \$ 4,760.00 ✓

Phase 200 -- LG&E Electric

Labor Costs

<u>Labor Classification</u>	<u>Hours</u>	<u>Rate</u>	<u>Amount</u>
Assistant Analyst	19.50	\$ 110.00 ✓	\$ 2,145.00 ✓
Associate Analyst	3.00	125.00 ✓	375.00 ✓
John J. Spanos	14.00	205.00 ✓	2,870.00 ✓
Support Staff	6.00	85.00 ✓	510.00 ✓

Total Labor Costs \$ 5,900.00 ✓

Total Phase -- 200 \$ 5,900.00 ✓

RECEIVED

MAY 31 2012

Phase 300 -- LG&E Gas

Labor Costs

<u>Labor Classification</u>	<u>Hours</u>	<u>Rate</u>	<u>Amount</u>
Assistant Analyst	1.50	\$ 110.00 ✓	\$ 165.00 ✓
Associate Analyst	6.00	125.00 ✓	750.00 ✓
John J. Spanos	5.00	205.00 ✓	1,025.00 ✓
Support Staff	2.00	85.00 ✓	170.00 ✓

Total Labor Costs \$ 2,110.00 ✓

Total Phase -- 300 \$ 2,110.00 ✓

ACCOUNTS PAYABLE

Phase 400 -- LG&E Common

Labor Costs

<u>Labor Classification</u>	<u>Hours</u>	<u>Rate</u>	<u>Amount</u>
Assistant Analyst	4.00	\$ 110.00 ✓	\$ 440.00 ✓
John J. Spanos	2.00	205.00 ✓	410.00 ✓

Total Labor Costs \$ 850.00 ✓

Total Phase -- 400 \$ 850.00 ✓

**Gannett Fleming, Inc. Expenditures
by Project Number and Task**

	Phase 100	Phase 200	Phase 300	Phase 400	
	KU Electric	LGE Electric	LGE Gas	LGE Common Electric	LGE Common Gas
				71.00%	29.00%
Project Number	118327	118326	118326	118326	118326
Task	RATE CASE 2012 E	RATE CASE 2012 E	RATE CASE 2012 G	RATE CASE 2012 E	RATE CASE 2012 G
Depreciation Study					
Date	Apr-12	Apr-12	Apr-12	Apr-12	Apr-12
Amount	4,760.00	5,900.00	2,110.00	603.50	246.50
Date					
Amount					
Date					
Amount					
Date					
Amount					
Date					
Amount					
Date					
Amount					
Date					
Amount					

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MAY 31 2012
ACCOUNTS PAYABLE

Total	<u>4,760.00</u>	<u>5,900.00</u>	<u>2,110.00</u>	<u>603.50</u>	<u>246.50</u>
--------------	-----------------	-----------------	-----------------	---------------	---------------

Grand Total					<u><u>13,620.00</u></u>
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The Prime Group

Invoice for Services Rendered

Invoice Date: June 1, 2012

Invoice Number 62012-1

To: LG&E
P.O. Box 32010
Louisville, KY 40232

Attn: Mr. Robert Conroy

43.5 hours of consulting work by Larry Feltner @ \$150.00/hr performed during May for providing assistance in preparing rate cases for LG&E and KU. \$ 6,525.00

179.5 hours of consulting work by Jeff Wernert @ \$150.00/hr performed during May for providing assistance in preparing rate cases for LG&E and KU. \$ 26,925.00

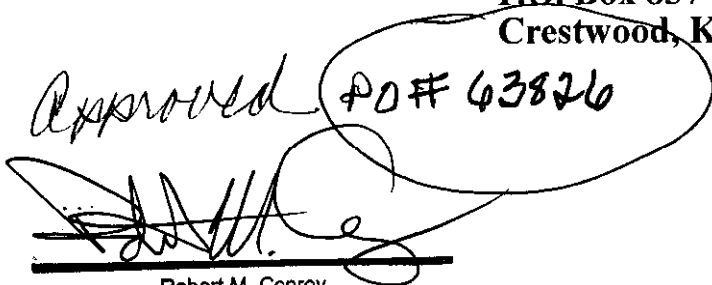
Expenses

Parking for Wernert \$ 120.00
Meals for Wernert \$ 215.20

Total due for work performed in May \$ 33,785.20

Please remit payment to: **The Prime Group, LLC**
P.O. Box 837
Crestwood, KY 40014-0837

Approved PO# 63826


Robert M. Conroy
Director - Rates
LG&E and KU Energy, LLC

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ACCOUNTS PAYABLE

The Prime Group, LLC
P. O. Box 837 • Crestwood, KY • 40014-0837
Phone 502-425-7882 FAX 502-326-9894

Attachment to Updated Response to Question No. 55(c)

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Bellar

FINANCIAL CONCEPTS AND APPLICATIONS, INC.

3907 RED RIVER
AUSTIN, TEXAS 78751

fincap@texas.net
Fax (512) 458-4768

(512) 458-4644

May 31, 2012

Mr. Robert Conroy
Director - Rates
LG&E and KU Services Company
P.O. Box 32010
Louisville, Kentucky 40232

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ACCOUNTS PAYABLE

Reference No.: 01856
Taxpayer ID No.: 74-2058652

Consulting Services:

Research, Analysis, and Testimony
Preparation in Connection with Rate
Case before the Kentucky Public Ser-
vice Commission pursuant to **Con-
tract No. 62685**. (For the Period May
1, 2012 through May 31, 2012).

Professional Time:

Adrien M. McKenzie
5 hours \$ 1,375

Total

\$ 1,375

Approved

PO# 64234

Robert M. Conroy
Director - Rates
LG&E and KU Energy, LLC

Bruce H. Fairchild