

COMMONWEALTH OF KENTUCKY
BEFORE THE PUBLIC SERVICE COMMISSION

In the Matter of:

APPLICATION OF LOUISVILLE GAS AND ELECTRIC)	
COMPANY FOR AN ADJUSTMENT OF ITS)	
ELECTRIC AND GAS RATES, A CERTIFICATE)	CASE NO.
OF PUBLIC CONVENIENCE AND NECESSITY,)	2012-00222
APPROVAL OF OWNERSHIP OF GAS SERVICE LINES)	
AND RISERS, AND A GAS LINE SURCHARGE)	

RESPONSE OF
LOUISVILLE GAS AND ELECTRIC COMPANY
TO THE
COMMISSION STAFF'S FIRST REQUEST FOR INFORMATION
DATED JUNE 15, 2012


Updated Responses to Question Nos. 43, 44, 57(c)

FILED: November 30, 2012

VERIFICATION

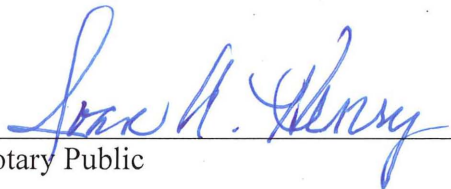
COMMONWEALTH OF KENTUCKY)
) SS:
COUNTY OF JEFFERSON)

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 30th day of November 2012.

 (SEAL)

Notary Public

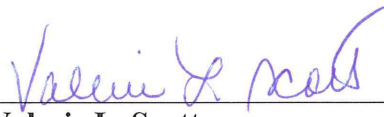
My Commission Expires:

7/21/2015

VERIFICATION


COMMONWEALTH OF KENTUCKY)
) SS:
COUNTY OF JEFFERSON)

The undersigned, **Valerie L. Scott**, being duly sworn, deposes and says that she is Controller for Kentucky Utilities Company and Louisville Gas and Electric Company and an employee of LG&E and KU Services Company, and that she has personal knowledge of the matters set forth in the responses for which she is identified as the witness, and the answers contained therein are true and correct to the best of her information, knowledge and belief.



Valerie L. Scott

Subscribed and sworn to before me, a Notary Public in and before said County and State, this 30th day of November 2012.



Notary Public (SEAL)

My Commission Expires:

7/21/2015

LOUISVILLE GAS AND ELECTRIC COMPANY

CASE NO. 2012-00222

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

Updated Response filed November 30, 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 have 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 October 31, 2012. Certain information is being filed under seal pursuant to a petition for confidential treatment.

See attached Reference Schedule 1.09 reflecting off-system sales margin through October 31, 2012.

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

LOUISVILLE GAS AND ELECTRIC COMPANY

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

	Per Books 3-31-2012 (1)	Capital Structure (2)	Rate Base Percentage (Exhibit 3 Line 19) (3)	Capitalization (Col 1 x Col 3) (4)	Adjustments to Capitalization (Col 8, Pg 2) (5)	Adjusted Capitalization (Col 4 + Col 5) (6)	Adjusted Capital Structure (7)	Annual Cost Rate (8)		Cost of Capital (Col 8 x Col 7) (9)
<u>ELECTRIC</u>										
1. Short Term Debt	\$ -	0.00%	79.01%	\$ -	\$ -	\$ -	0.00%	0.48%	(a)	0.00%
2. Long Term Debt	1,105,705,507	44.36%	79.01%	873,617,921	7,385,010	881,002,931	44.36%	3.73%	(a)	1.65%
3. Common Equity	1,387,034,687	55.64%	79.01%	1,095,896,106	9,262,895	1,105,159,001	55.64%	11.00%	(b)	6.12%
4. Total Capitalization	<u>\$ 2,492,740,194</u>	<u>100.00%</u>		<u>\$ 1,969,514,027</u>	<u>\$ 16,647,905</u>	<u>\$ 1,986,161,932</u>	<u>100.00%</u>			<u>7.77%</u>
<u>GAS</u>										
1. Short Term Debt	\$ -	0.00%	20.99%	\$ -	\$ -	\$ -	0.00%	0.48%	(a)	0.00%
2. Long Term Debt	1,105,705,507	44.36%	20.99%	232,087,586	232,802	232,320,388	44.36%	3.73%	(a)	1.65%
3. Common Equity	1,387,034,687	55.64%	20.99%	291,138,581	291,999	291,430,580	55.64%	11.00%	(b)	6.12%
4. Total Capitalization	<u>\$ 2,492,740,194</u>	<u>100.00%</u>		<u>\$ 523,226,167</u>	<u>\$ 524,801</u>	<u>\$ 523,750,968</u>	<u>100.00%</u>			<u>7.77%</u>

- (a) Embedded cost as of October 31, 2012
(b) Recommended Rate of Return on Common Equity

LOUISVILLE GAS AND ELECTRIC COMPANY

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

	Capitalization (Col 6, Pg 1) (1)	Capital Structure (2)	Trimble County Inventories (c) (Col 2 x Col 3 Line 4) (3)	Investments in OVEC and Other (Col 2 x Col 4 Line 4) (4)	JDIC (Col 2 x Col 5 Line 4) (5)	Environmental Compliance Plans (d) (Col 2 x Col 6 Line 4) (6)	Advanced Coal Investment Tax Credit (Col 2 x Col 7 Line 4) (7)	Total Adjustments To Capital (8)
<u>ELECTRIC</u>								
1. Short Term Debt	\$ -	0.00%	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
2. Long Term Debt	873,617,921	44.36%	(1,853,698)	(268,895)	8,227,659	(8,912,431)	10,192,375	7,385,010
3. Common Equity	1,095,896,106	55.64%	(2,325,063)	(337,270)	10,319,815	(11,178,712)	12,784,125	9,262,895
4. Total Capitalization	<u>\$ 1,969,514,027</u>	<u>100.00%</u>	<u>\$ (4,178,761)</u>	<u>\$ (606,165)</u>	<u>\$ 18,547,474</u>	<u>\$ (20,091,143)</u>	<u>\$ 22,976,500</u>	<u>\$ 16,647,905</u>

<u>GAS</u>								
1. Short Term Debt	\$ -	0.00%	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
2. Long Term Debt	232,087,586	44.36%	-	-	232,802	-	-	232,802
3. Common Equity	291,138,581	55.64%	-	-	291,999	-	-	291,999
4. Total Capitalization	<u>\$ 523,226,167</u>	<u>100.00%</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 524,801</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 524,801</u>

(c) Trimble County 1 Inventories @ March 31, 2012		(d) Environmental Compliance Plans:	
Stores	\$ 5,960,215	Supporting Schedule-Exhibit 3, Line 19, Column 5	<u>\$ 20,091,143</u>
Stores Expense	1,100,624		
Coal	9,196,703		
Limestone	240,236		
Fuel Oil	216,813		
Emission Allowances	451		
Total Trimble County Inventories	<u>\$ 16,715,042</u>		
Multiplied by Disallowed Portion	25.00%		
Trimble County Inv. Disallowed	<u>\$ 4,178,761</u>		

LOUISVILLE GAS AND ELECTRIC COMPANY
ANALYSIS OF THE EMBEDDED COST OF CAPITAL AT
October 31, 2012

LONG-TERM DEBT										
	Due	Rate	Principal	Interest/(Income)	Annualized Cost				Embedded Cost	
					Amortized Debt Issuance Exp/Discount	Amortized Loss-Reacquired Debt	Letter of Credit and other fees	Total		
Pollution Control Bonds -										
Jefferson Co. 2000 Series A	05/01/27	0.817% *	\$ 25,000,000	4 \$ 204,281	\$ -	\$ 135,301	\$ -	\$ 339,582	1.358%	
Trimble Co. 2000 Series A	08/01/30	0.220% *	83,335,000	183,337	38,707	143,700	305,898 d	671,642	0.806%	
Jefferson Co. 2001 Series A	09/01/27	0.260% *	10,104,000	26,270	20,393	-	35,546 d	82,209	0.814%	
Jefferson Co. 2001 Series A	09/01/26	0.340% *	22,500,000	76,500	9,924	77,424	22,500 b	186,348	0.828%	
Trimble Co. 2001 Series A	09/01/26	0.340% *	27,500,000	93,500	10,790	65,400	27,500 b	197,190	0.717%	
Jefferson Co. 2001 Series B	11/01/27	0.400% *	35,000,000	140,000	10,995	49,056	35,000 b	235,051	0.672%	
Trimble Co. 2001 Series B	11/01/27	0.400% *	35,000,000	140,000	10,997	48,864	35,000 b	234,861	0.671%	
Trimble Co. 2002 Series A	10/01/32	0.262% *	41,665,000	109,162	37,221	55,812	176,268 d	378,463	0.908%	
Louisville Metro 2003 Series A	10/01/33	1.650%	128,000,000	3 2,112,000	55,089	313,727	- a	2,480,816	1.938%	
Louisville Metro 2005 Series A	02/01/35	5.750%	40,000,000	4 2,300,000	-	96,444	-	2,396,444	5.991%	
Trimble Co. 2007 Series A	06/01/33	4.600%	60,000,000	2,760,000	47,534	6,615	18,270 a	2,832,419	4.721%	
Louisville Metro 2007 Series A	06/01/33	5.625%	31,000,000	4 1,743,750	-	41,718	-	1,785,468	5.760%	
Louisville Metro 2007 Series B	06/01/33	1.600%	35,200,000	3 563,200	20,686	27,526	- a	611,412	1.737%	
Called Bonds			-	-	-	167,868	2	167,868		
First Mortgage Bonds -										
2010 due 2015	11/15/15	1.625%	250,000,000	4,062,500	522,243 **	-	-	4,584,743	1.834%	
Debt discount on FMB	11/15/15	1.625%	(536,854)		176,500 **	-	-	176,500	-32.877%	
2010 due 2020	11/15/40	5.125%	285,000,000	14,606,250	119,249 **	-	-	14,725,499	5.167%	
Debt discount on FMB	11/15/40	5.125%	(2,898,387)		103,360 **	-	-	103,360	-3.566%	
S-3 SEC Shelf Registration	03/27/15				2,292			2,292		
Revolving Credit Facility	10/19/16				6&7		500,000			
Total External Debt			\$ 1,105,868,759	\$ 29,120,750	\$ 1,968,860	\$ 1,229,455	\$ 1,155,982	\$ 33,475,048	3.027%	
Interest Rate Swaps:										
JP Morgan Chase Bank 5.495%	11/01/20	1		\$ 4,421,062	\$ -	\$ -	\$ -	\$ 4,421,062		
Morgan Stanley Capital Services 3.657%	10/01/33	1		1,122,009	-	-	-	1,122,009		
Morgan Stanley Capital Services 3.645%	10/01/33	1		1,118,169	-	-	-	1,118,169		
Bank of America	10/01/33	1		1,134,169	-	-	-	1,134,169		
Interest Rate Swaps External Debt				\$ 7,795,409	\$ -	\$ -	\$ -	\$ 7,795,409	0.705%	
Notes Payable to PPL		5	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -		
Total Internal Debt			\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	0.000%	
Total			\$ 1,105,868,759	\$ 36,916,159	\$ 1,968,860	\$ 1,229,455	\$ 1,155,982	\$ 41,270,457	3.732%	

SHORT-TERM DEBT										
	Maturity	Rate	Principal	Interest	Annualized Cost				Embedded Cost	
					Expense	Loss	Premium	Total		
Notes Payable to Associated Company	NA	0.480% *	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	0.000%	
Revolving Credit Facility Payable			-	-	-	-	-	-	0.000%	
Commercial Paper Program	Varies	0.410%	-	-	-	-	-	-	0.000%	
Total			\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	0.000%	
Embedded Cost of Total Debt			\$ 1,105,868,759	\$ 36,916,159	\$ 1,968,860	\$ 1,229,455	\$ 1,155,982	\$ 41,270,457	3.732%	

* Composite rate at end of current month.
** Debt discount shown on separate line.

1 Additional interest due to Swap Agreements:	Expiration of Swap Agreement	Fixed LG&E Swap Position	Fixed LG&E Swap Position	Variable Counterparty Swap Position
<u>Underlying Debt Being Hedged</u>	<u>Notional Amount</u>			
Series Z - PCB	83,335,000	11/01/20	5.495%	5.495%
Series CC, DD & EE - PCB	32,000,000	10/01/33	3.657%	3.657%
Series CC, DD & EE - PCB	32,000,000	10/01/33	3.645%	3.645%
Series CC, DD & EE - PCB	32,000,000	10/01/33	3.695%	3.695%
	<u>179,335,000</u>			

2 Call premium and debt expense is being amortized over the remaining life of bonds due 6/1/15, 7/1/13 and 8/1/17.
3 Reacquired bonds were reissued 1/13/11.
4 Remarketed bonds, issued at long term fixed rate.
5 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.
6 Included setup fees for the Wachovia Credit Facility in Long-term Debt due to 4 year credit arrangement
7 Credit Facility amended effective October 19, 2011. New term of 5 years at lower interest rate.

a - Insurance premiums annualized - based on actual invoices
b - Remarketing fee = 10 basis points
c - Remarketing fee = 25 basis points
d - Combination of a and c.

Exhibit 1

Reference Schedule 1.09

Sponsoring Witness: Bellar

LOUISVILLE GAS AND ELECTRIC COMPANY**To Adjust Off-System Sales Margins
For the Twelve Months Ended March 31, 2012****Updated to reflect actual Off-System Sales Margins through October 2012**

	<u>Electric</u>
1. Off-System Sales Margins for 2012 (January - October 2012)	\$ 1,129,917
2. Annualized Off-System Sales Margins for 2012 (Line 1 x 12/10)	\$ 1,355,901
3. Off-System Sales Margins in test year	\$ 6,945,461
4. Off-System Sales Margins adjustment (Line 2 - Line 3)	\$ (5,589,560)

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.

LOUISVILLE GAS AND ELECTRIC COMPANY

CASE NO. 2012-00222

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

Updated Response filed November 30, 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 October 2012. Income statements for subsequent months will be provided as they become available.

LG&E'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).

LOUISVILLE GAS AND ELECTRIC COMPANY

Financial Reports

October 31, 2012

Louisville Gas and Electric Company
Comparative Statement of Income
October 31, 2012

	Current Month			
	This Year Amount	Last Year Amount	Increase or Decrease Amount	%
Electric Operating Revenues.....	\$ 80,633,958.10	\$ 79,332,461.18	\$ 1,301,496.92	1.64
Gas Operating Revenues.....	16,593,616.96	18,830,221.33	(2,236,604.37)	(11.88)
Total Operating Revenues.....	97,227,575.06	98,162,682.51	(935,107.45)	(0.95)
Fuel for Electric Generation.....	30,105,608.87	26,589,929.51	3,515,679.36	13.22
Power Purchased.....	3,799,356.50	7,628,086.41	(3,828,729.91)	(50.19)
Gas Supply Expenses.....	7,049,294.30	9,674,278.22	(2,624,983.92)	(27.13)
Other Operation Expenses.....	19,665,846.62	19,563,220.37	102,626.25	0.52
Maintenance.....	9,838,642.97	10,777,128.87	(938,485.90)	(8.71)
Depreciation.....	12,444,538.96	11,928,154.12	516,384.84	4.33
Amortization Expense.....	733,509.60	705,150.17	28,359.43	4.02
Regulatory Credits.....	(611,795.16)	(468,815.78)	(142,979.38)	(30.50)
Taxes				
Federal Income.....	(1,274,174.40)	2,128,387.52	(3,402,561.92)	(159.87)
State Income.....	(359,777.31)	365,732.29	(725,509.60)	(198.37)
Deferred Federal Income - Net.....	4,071,618.89	317,260.52	3,754,358.37	1,183.37
Deferred State Income - Net.....	816,826.10	(182,282.46)	999,108.56	548.11
Property and Other.....	2,478,400.01	2,262,495.73	215,904.28	9.54
Amortization of Investment Tax Credit.....	(223,356.00)	(236,034.00)	12,678.00	5.37
Loss (Gain) from Disposition of Allowances.....	-	-	-	-
Accretion Expense.....	245,254.54	230,794.03	14,460.51	6.27
Total Operating Expenses.....	88,779,794.49	91,283,485.52	(2,503,691.03)	(2.74)
Net Operating Income.....	8,447,780.57	6,879,196.99	1,568,583.58	22.80
Other Income Less Deductions.....	(66,280.46)	(6,213.08)	(60,067.38)	(966.79)
Income Before Interest Charges.....	8,381,500.11	6,872,983.91	1,508,516.20	21.95
Interest on Long-Term Debt.....	3,077,622.74	3,375,732.58	(298,109.84)	(8.83)
Amortization of Debt Expense - Net.....	266,526.43	295,947.81	(29,421.38)	(9.94)
Other Interest Expenses.....	130,850.96	264,952.62	(134,101.66)	(50.61)
Total Interest Charges.....	3,475,000.13	3,936,633.01	(461,632.88)	(11.73)
Net Income.....	\$ 4,906,499.98	\$ 2,936,350.90	\$ 1,970,149.08	67.10

Louisville Gas and Electric Company
Comparative Statement of Income
October 31, 2012

	Year to Date			
	This Year Amount	Last Year Amount	Increase or Decrease Amount	%
Electric Operating Revenues.....	\$ 900,624,521.52	\$ 895,157,751.99	\$ 5,466,769.53	0.61
Gas Operating Revenues.....	190,073,942.23	236,825,715.41	(46,751,773.18)	(19.74)
Total Operating Revenues.....	1,090,698,463.75	1,131,983,467.40	(41,285,003.65)	(3.65)
Fuel for Electric Generation.....	320,012,430.21	300,385,048.56	19,627,381.65	6.53
Power Purchased.....	44,638,293.60	62,889,505.23	(18,251,211.63)	(29.02)
Gas Supply Expenses.....	83,909,339.84	126,547,876.24	(42,638,536.40)	(33.69)
Other Operation Expenses.....	195,298,225.73	197,023,845.01	(1,725,619.28)	(0.88)
Maintenance.....	101,985,370.35	96,605,185.36	5,380,184.99	5.57
Depreciation.....	121,758,332.45	118,219,543.76	3,538,788.69	2.99
Amortization Expense.....	7,359,704.20	6,716,656.59	643,047.61	9.57
Regulatory Credits.....	(4,944,233.16)	(4,879,692.31)	(64,540.85)	(1.32)
Taxes				
Federal Income.....	7,497,476.70	15,978,052.85	(8,480,576.15)	(53.08)
State Income.....	5,874,402.71	8,572,831.36	(2,698,428.65)	(31.48)
Deferred Federal Income - Net.....	44,302,403.27	38,590,406.90	5,711,996.37	14.80
Deferred State Income - Net.....	2,638,978.68	(135,871.40)	2,774,850.08	2,042.26
Property and Other.....	25,434,877.21	23,415,841.96	2,019,035.25	8.62
Amortization of Investment Tax Credit.....	(2,233,564.47)	(2,333,673.00)	100,108.53	4.29
Loss (Gain) from Disposition of Allowances.....	(693.97)	(2,577.94)	1,883.97	73.08
Accretion Expense.....	2,438,537.77	2,182,068.46	256,469.31	11.75
Total Operating Expenses.....	955,969,881.12	989,775,047.63	(33,805,166.51)	(3.42)
Net Operating Income.....	134,728,582.63	142,208,419.77	(7,479,837.14)	(5.26)
Other Income Less Deductions.....	(1,247,643.83)	532,247.85	(1,779,891.68)	(334.41)
Income Before Interest Charges.....	133,480,938.80	142,740,667.62	(9,259,728.82)	(6.49)
Interest on Long-Term Debt.....	30,821,264.36	32,662,727.35	(1,841,462.99)	(5.64)
Amortization of Debt Expense - Net.....	2,648,453.07	2,788,679.38	(140,226.31)	(5.03)
Other Interest Expenses.....	1,709,901.06	2,170,329.78	(460,428.72)	(21.21)
Total Interest Charges.....	35,179,618.49	37,621,736.51	(2,442,118.02)	(6.49)
Net Income.....	\$ 98,301,320.31	\$ 105,118,931.11	\$ (6,817,610.80)	(6.49)

Louisville Gas and Electric Company
Comparative Statement of Income
October 31, 2012

	Year Ended Current Month			
	This Year Amount	Last Year Amount	Increase or Decrease Amount	%
Electric Operating Revenues.....	\$ 1,065,217,073.02	\$ 1,064,383,574.99	\$ 833,498.03	0.08
Gas Operating Revenues.....	257,822,648.64	322,895,841.48	(65,073,192.84)	(20.15)
Total Operating Revenues.....	1,323,039,721.66	1,387,279,416.47	(64,239,694.81)	(4.63)
Fuel for Electric Generation.....	380,595,775.01	363,463,168.96	17,132,606.05	4.71
Power Purchased.....	56,643,335.49	72,277,913.01	(15,634,577.52)	(21.63)
Gas Supply Expenses.....	118,597,089.30	180,395,748.10	(61,798,658.80)	(34.26)
Other Operation Expenses.....	234,551,735.61	236,772,974.95	(2,221,239.34)	(0.94)
Maintenance.....	121,739,253.54	121,381,326.65	357,926.89	0.29
Depreciation.....	145,537,003.61	140,100,899.87	5,436,103.74	3.88
Amortization Expense.....	8,776,511.64	7,982,143.66	794,367.98	9.95
Regulatory Credits.....	(5,794,626.54)	(5,609,676.02)	(184,950.52)	(3.30)
Taxes				
Federal Income.....	3,482,274.30	12,609,716.67	(9,127,442.37)	(72.38)
State Income.....	5,567,104.02	9,293,586.99	(3,726,482.97)	(40.10)
Deferred Federal Income - Net.....	57,935,720.73	51,772,004.16	6,163,716.57	11.91
Deferred State Income - Net.....	4,786,525.43	867,054.76	3,919,470.67	452.04
Property and Other.....	30,140,618.89	25,793,603.98	4,347,014.91	16.85
Amortization of Investment Tax Credit.....	(2,705,623.47)	(2,750,635.00)	45,011.53	1.64
Loss (Gain) from Disposition of Allowances.....	(693.97)	(2,577.94)	1,883.97	73.08
Accretion Expense.....	2,900,953.93	2,616,591.29	284,362.64	10.87
Total Operating Expenses.....	1,162,752,957.52	1,216,963,844.09	(54,210,886.57)	(4.45)
Net Operating Income.....	160,286,764.14	170,315,572.38	(10,028,808.24)	(5.89)
Other Income Less Deductions.....	(700,493.91)	(581,691.80)	(118,802.11)	(20.42)
Income Before Interest Charges.....	159,586,270.23	169,733,880.58	(10,147,610.35)	(5.98)
Interest on Long-Term Debt.....	36,968,272.80	39,671,474.53	(2,703,201.73)	(6.81)
Amortization of Debt Expense - Net.....	3,171,246.92	3,288,734.50	(117,487.58)	(3.57)
Other Interest Expenses.....	2,078,055.88	2,608,380.00	(530,324.12)	(20.33)
Total Interest Charges.....	42,217,575.60	45,568,589.03	(3,351,013.43)	(7.35)
Net Income.....	\$ 117,368,694.63	\$ 124,165,291.55	\$ (6,796,596.92)	(5.47)

LOUISVILLE GAS AND ELECTRIC COMPANY

CASE NO. 2012-00222

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

Updated Response filed November 30, 2012

Question No. 57

Responding Witness: Lonnie E. Bellar

Q-57. 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-57. c. Consistent with its commitments in the initial response to this request for information and past practice, please see the attached.

LOUISVILLE GAS AND ELECTRIC COMPANY

CASE NO. 2012-00222

Schedule of Rate Case Preparation Costs

Response to Commission's Order

Dated June 15, 2012

Question No. 57(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	2.60	346.50	901.76	Professional Services	182335
20-Apr-12	712685	STOLL KEENON OGDEN PLLC	27.86	289.80	8,075.10	Professional Services	182335
11-May-12	716506	STOLL KEENON OGDEN PLLC	54.06	254.51	13,759.24	Professional Services	182335
18-Jun-12	718672	STOLL KEENON OGDEN PLLC	117.88	251.85	29,686.63	Professional Services	182335
10-Jul-12	720404	STOLL KEENON OGDEN PLLC	160.35	265.11	42,510.82	Professional Services	182335
7-Aug-12	724335	STOLL KEENON OGDEN PLLC	134.53	268.85	36,168.33	Professional Services	182335
12-Sep-12	726367	STOLL KEENON OGDEN PLLC	64.72	282.82	18,304.36	Professional Services	182335
		SUBTOTAL LEGAL OUTSIDE COUNSEL LG&E ELECTRIC @ 09/30/2012			<u>149,406.24</u>		
11-Oct-12	729476	STOLL KEENON OGDEN PLLC	147.41	258.91	38,164.68	Professional Services	182335
		SUBTOTAL LEGAL OUTSIDE COUNSEL LG&E ELECTRIC			<u>38,164.68</u>		
		TOTAL LEGAL OUTSIDE COUNSEL LG&E ELECTRIC			<u>187,570.92</u>		182335
16-Apr-12	420121	THE PRIME GROUP LLC	8.33	177.08	1,474.75	Cost of service and rate design development	182335
4-May-12	520121	THE PRIME GROUP LLC	52.40	169.85	8,899.66	Cost of service and rate design development	182335
11-May-12	FINANC043012	FINANCIAL CONCEPTS AND APPLICATIONS INC	3.47	381.20	1,322.76	Research, analysis and testimony preparation	182335
1-Jun-12	0543811204028	GANNETT FLEMING INC	46.76	139.08	6,503.50	Depreciation consulting services	182335
12-Jun-12	620121	THE PRIME GROUP LLC	77.38	151.50	11,723.46	Cost of service and rate design development	182335
26-Jun-12	018560512	FINANCIAL CONCEPTS AND APPLICATIONS INC	1.74	275.00	477.13	Research, analysis and testimony preparation	182335
5-Jul-12	0543811205051	GANNETT FLEMING INC	0.37	85.00	31.45	Depreciation consulting services	182335
17-Jul-12	720121	THE PRIME GROUP LLC	24.81	151.55	3,760.00	Cost of service and rate design development	182335
24-Jul-12	1856063012	FINANCIAL CONCEPTS AND APPLICATIONS INC	14.75	283.76	4,185.51	Research, analysis and testimony preparation	182335
31-Aug-12	543811205051	GANNETT FLEMING INC	0.37	85.00	11.05	Depreciation consulting services	182335
20-Sep-12	543811208012	GANNETT FLEMING INC	25.71	145.65	3,744.66	Depreciation consulting services	182335
18-Sep-12	920121	THE PRIME GROUP LLC	24.12	152.16	3,669.53	Cost of service and rate design development	182335
5-Sep-12	FINANC073112	FINANCIAL CONCEPTS AND APPLICATIONS INC	1.39	400.00	555.20	Research, analysis and testimony preparation	182335
19-Sep-12	FINANC083112	FINANCIAL CONCEPTS AND APPLICATIONS INC	5.03	302.55	1,522.29	Research, analysis and testimony preparation	182335
		SUBTOTAL CONSULTANTS LG&E ELECTRIC @ 09/30/2012			<u>47,880.95</u>		
17-Oct-12	0543811209005	GANNETT FLEMING INC	37.00	147.70	5,465.00	Depreciation consulting services	182335
5-Oct-12	1020122	THE PRIME GROUP LLC	6.59	163.23	1,075.70	Cost of service and rate design development	182335
15-Oct-12	FINANC093012	FINANCIAL CONCEPTS AND APPLICATIONS INC	0.87	350.00	303.63	Research, analysis and testimony preparation	182335
		SUBTOTAL CONSULTANTS LG&E ELECTRIC			<u>6,844.33</u>		
		TOTAL CONSULTANTS LG&E ELECTRIC			<u>54,725.28</u>		182335
15-Aug-12	12072LL0	Kentucky Press Service Inc			502,690.04	Notice	182335
		SUBTOTAL NEWSPAPER ADVERTISING LG&E ELECTRIC @ 09/30/2012			<u>502,690.04</u>		
		TOTAL NEWSPAPER ADVERTISING LG&E ELECTRIC			<u>502,690.04</u>		182335
		TOTAL LG&E ELECTRIC			<u>744,986.24</u>		182335

LOUISVILLE GAS AND ELECTRIC COMPANY

CASE NO. 2012-00222

Schedule of Rate Case Preparation Costs

Response to Commission's Order

Dated June 15, 2012

Question No. 57(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	0.85	346.50	293.66	Professional Services	182336
20-Apr-12	712685	STOLL KEENON OGDEN PLLC	9.07	289.80	2,629.65	Professional Services	182336
11-May-12	716506	STOLL KEENON OGDEN PLLC	17.61	254.51	4,480.68	Professional Services	182336
18-Jun-12	718672	STOLL KEENON OGDEN PLLC	38.39	251.85	9,667.40	Professional Services	182336
10-Jul-12	720404	STOLL KEENON OGDEN PLLC	52.22	265.10	13,843.58	Professional Services	182336
7-Aug-12	724335	STOLL KEENON OGDEN PLLC	43.81	268.85	11,778.16	Professional Services	182336
12-Sep-12	726367	STOLL KEENON OGDEN PLLC	21.07	282.84	5,960.78	Professional Services	182336
		SUBTOTAL LEGAL OUTSIDE COUNSEL LG&E GAS @ 09/30/2012			<u>48,653.91</u>		
11-Oct-12	729476	STOLL KEENON OGDEN PLLC	48.00	258.91	12,428.27	Professional Services	182336
		SUBTOTAL LEGAL OUTSIDE COUNSEL LG&E GAS			<u>12,428.27</u>		
		TOTAL LEGAL OUTSIDE COUNSEL LG&E GAS			<u>61,082.18</u>		182336
16-Apr-12	420121	THE PRIME GROUP LLC	2.71	177.08	480.25	Cost of service and rate design development	182336
4-May-12	520121	THE PRIME GROUP LLC	17.06	169.85	2,898.16	Cost of service and rate design development	182336
11-May-12	FINANC043012	FINANCIAL CONCEPTS AND APPLICATIONS INC	1.13	381.20	430.76	Research, analysis and testimony preparation	182336
1-Jun-12	0543811204028	GANNETT FLEMING INC	16.24	145.10	2,356.50	Depreciation consulting services	182336
12-Jun-12	620121	THE PRIME GROUP LLC	25.20	151.50	3,817.73	Cost of service and rate design development	182336
26-Jun-12	018560512	FINANCIAL CONCEPTS AND APPLICATIONS INC	0.57	275.00	155.38	Research, analysis and testimony preparation	182336
5-Jul-12	0543811205051	GANNETT FLEMING INC	0.13	85.00	11.05	Depreciation consulting services	182336
17-Jul-12	720121	THE PRIME GROUP LLC	8.10	151.17	1,224.44	Cost of service and rate design development	182336
24-Jul-12	1856063012	FINANCIAL CONCEPTS AND APPLICATIONS INC	4.80	283.96	1,363.01	Research, analysis and testimony preparation	182336
31-Aug-12	0543811205051	GANNETT FLEMING INC	0.13	(85.00)	(11.05)	Depreciation consulting services	182336
20-Sep-12	543811208012	GANNETT FLEMING INC	1.29	125.00	161.25	Depreciation consulting services	182336
18-Sep-12	920121	THE PRIME GROUP LLC	7.85	152.23	1,194.98	Cost of service and rate design development	182336
5-Sep-12	FINANC073112	FINANCIAL CONCEPTS AND APPLICATIONS INC	0.45	401.78	180.80	Research, analysis and testimony preparation	182336
19-Sep-12	FINANC083112	FINANCIAL CONCEPTS AND APPLICATIONS INC	1.64	302.27	495.73	Research, analysis and testimony preparation	182336
		SUBTOTAL CONSULTANTS LG&E GAS @ 09/30/2012			<u>14,758.99</u>		
17-Oct-12	0543811209005	GANNETT FLEMING INC	1.00	205.00	205.00	Depreciation consulting services	182336
5-Oct-12	1020122	THE PRIME GROUP LLC	2.15	162.93	350.30	Cost of service and rate design development	182336
15-Oct-12	FINANC093012	FINANCIAL CONCEPTS AND APPLICATIONS INC	0.28	350.00	98.88	Research, analysis and testimony preparation	182336
		SUBTOTAL CONSULTANTS LG&E GAS			<u>654.18</u>		
		TOTAL CONSULTANTS LG&E GAS			<u>15,413.17</u>		182336
15-Aug-12	12072LL0	Kentucky Press Service Inc			164,007.74	Notice	182336
		SUBTOTAL NEWSPAPER ADVERTISING LG&E GAS @ 09/30/2012			<u>164,007.74</u>		
		TOTAL NEWSPAPER ADVERTISING LG&E GAS			<u>164,007.74</u>		182336
		TOTAL LG&E GAS			<u>240,503.09</u>		182336
		TOTAL RATE CASE EXPENSES @ 10/31/12			<u>985,489.33</u>		182335, 182336

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: 729476
Date of Invoice: 09/27/2012
Billing Period: 07/16/2012 - 08/31/2012
Date Posted: 09/27/2012
Invoice Description/Comment: 2012 KY Base Rate Case

Amount Approved

Approved Total \$109,984.68
Invoice Currency: USD
Date Approved: 10/11/2012
Final Approver: Dot O'Brien
Approved Fees \$109,236.98
Approved Expenses \$747.70
Comments to AP: LEGAL SERVICES

Accounting Code Allocations

Cost Center	GL Account	Expense Type	Amount	Percentage	Comment
125973	KU RC-EL 2012	0521 026900	\$39,391.75	54%	
125974	LGE RC-GS 2012	0521 026900	\$12,428.27	11.3%	
125975	LGE RC-EL 2012	0521 026900	\$38,164.68	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 \$109,984.68
Invoice Currency: USD
Billed Fees \$109,236.98
Billed Expenses \$747.70

Approval History

User	Action	Date	Amount	Comment
Amy Smith	Posted	09/27/2012	\$109,984.68	
Kathy Wilson	Approved	10/01/2012	\$109,984.68	
Allyson Sturgeon	Approved	10/04/2012	\$109,984.68	
Dot O'Brien	Approved	10/11/2012	\$109,984.68	
Kathy Wilson	AP Reviewed	10/11/2012	\$109,984.68	
Kathy Wilson	AP Batch Run	10/11/2012	\$109,984.68	Batch ID: 001000129 (Sent to AP: 10/11/2012 10:29:01 AM)

Additional Financial Information

Oracle Vendor Number: 40033
Vendor Pay Site: PY-LEXINGTON
Name of Invoice File in .Zip: Stoll Keenon Ogden - 729476.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:

Date	Description	Narrative	Timekeeper	Units	Rate	Adjust	Taxes	TaxType%	Amount
------	-------------	-----------	------------	-------	------	--------	-------	----------	--------

08/01/2012	-	Work on objections to Gerstle and Nunn motions to intervene	Braun, Monica	1.1	\$184.50	\$202.95
08/01/2012	-	Work on discovery requests and motions to intervene.	Riggs, Kendrick	2.8	\$357.22	\$1,000.22
08/01/2012	-	Advise Mr. Riggs re issues related to putting rates into effect subject to refund	Eversole, Deborah	0.3	\$316.35	\$94.90
08/02/2012	-	Work on objection to Nunn motion to intervene	Braun, Monica	1.7	\$184.50	\$313.65
08/02/2012	-	Work on discovery requests; attention to motions to intervene.	Riggs, Kendrick	6.4	\$357.22	\$2,286.21
08/03/2012	-	Work on DR responses.	Crosby, III, W. Duncan	1.1	\$224.84	\$247.32
08/03/2012	-	Review data requests.	Dunn, Barry	0.9	\$180.00	\$162.00
08/03/2012	-	Finalize and file objections to Nunn and Gerstle intervention; work on data responses	Braun, Monica	2.3	\$184.50	\$424.35
08/03/2012	-	Work on discovery responses.	Riggs, Kendrick	7.6	\$357.22	\$2,714.87
08/04/2012	-	Work on discovery issues.	Riggs, Kendrick	3.5	\$357.22	\$1,250.27
08/05/2012	-	Work on data responses	Braun, Monica	1.8	\$184.50	\$332.10
08/06/2012	-	Meeting re: pending tasks and issues in rate case	Thacker, Chris	0.4	\$198.00	\$79.20
08/06/2012	-	Work on data responses; draft sur-reply to Whipple reply	Braun, Monica	6.4	\$184.50	\$1,180.80
08/06/2012	-	Work on discovery responses.	Riggs, Kendrick	6.5	\$357.22	\$2,321.93
08/06/2012	-	Conference call re status of pending matters; review Spanos testimony; examine proposed Spanos DR responses	Watt, Robert	1.5	\$357.22	\$535.83
08/06/2012	-	Research and respond to data requests.	Dunn, Barry	8.4	\$180.00	\$1,512.00
08/06/2012	-	Read synopses of Executive Branch Ethics Opinions issued in 2012; discuss EBEOs with Mr. Riggs; email to client re applicability to rate case	Eversole, Deborah	1.1	\$316.54	\$347.97
08/06/2012	-	Drafts of DR responses; meeting with client re CSR-related DR responses; document review for DR responses.	Crosby, III, W. Duncan	8.8	\$224.84	\$1,978.59
08/07/2012	-	Revisions to DR responses; document review for DR responses.	Crosby, III, W. Duncan	3.3	\$224.84	\$741.97
08/07/2012	-	Research and respond to data requests. Document review.	Dunn, Barry	6.5	\$180.00	\$1,170.00
08/07/2012	-	Telephone call and e-mail to Mr. Spanos; revise responses to data requests and circulate; conference call re scheduling of discovery review	Watt, Robert	1.5	\$357.22	\$535.83
08/07/2012	-	Work on sur-reply to Whipple; work on data responses	Braun, Monica	5.2	\$184.50	\$959.40
08/07/2012	-	Work on discovery responses.	Riggs, Kendrick	10.4	\$357.22	\$3,715.09

08/07/2012 -	Efforts re: discovery responses	Ingram, III, Lindsey	1.5	\$286.16	\$429.24
08/08/2012 -	Work on data responses and attend meetings regarding same	Braun, Monica	10	\$184.50	\$1,845.00
08/08/2012 -	Efforts re: discovery responses; conference with Mr. Spanos re: same	Ingram, III, Lindsey	1.8	\$286.16	\$515.09
08/08/2012 -	Work on discovery responses.	Riggs, Kendrick	11.8	\$357.22	\$4,215.20
08/08/2012 -	Review responses to data requests. Review documents for privileged or confidential information.	Dunn, Barry	8	\$180.00	\$1,440.00
08/08/2012 -	Revisions to DR responses; document review for DR responses.	Crosby, III, W. Duncan	9.5	\$224.84	\$2,135.98
08/09/2012 -	Work on data responses	Braun, Monica	6.2	\$184.50	\$1,143.90
08/09/2012 -	Work on DR responses.	Crosby, III, W. Duncan	8.4	\$224.84	\$1,888.66
08/09/2012 -	Work on data responses; conference with client re: same; efforts re: Spanos, Murphy and Avera	Ingram, III, Lindsey	5.5	\$286.16	\$1,573.88
08/09/2012 -	Work on discovery responses.	Riggs, Kendrick	8.8	\$357.22	\$3,143.54
08/09/2012 -	Review documents for privilege and confidentiality.	Dunn, Barry	7.1	\$180.00	\$1,278.00
08/10/2012 -	Attend data response review meetings. Draft petitions for confidential protection.	Dunn, Barry	9.5	\$180.00	\$1,710.00
08/10/2012 -	Work on data responses and attend meetings regarding same	Braun, Monica	14.3	\$184.50	\$2,638.35
08/10/2012 -	Attend meetings at LG&E/KU re discovery responses and work on same.	Riggs, Kendrick	9.8	\$357.22	\$3,500.76
08/10/2012 -	Draft outline for post-hearing brief	Thacker, Chris	1.8	\$198.00	\$356.40
08/10/2012 -	Travel to and attend discovery responses meetings; work on Murphy and Avera responses	Ingram, III, Lindsey	9	\$286.16	\$2,575.44
08/11/2012 -	Work on discovery responses.	Riggs, Kendrick	6.2	\$357.22	\$2,214.76
08/11/2012 -	Work on data responses	Braun, Monica	0.4	\$184.50	\$73.80
08/12/2012 -	Work on discovery responses.	Riggs, Kendrick	6.5	\$357.22	\$2,321.93
08/12/2012 -	Work on data responses	Braun, Monica	0.6	\$184.50	\$110.70
08/12/2012 -	Review document production responsive to data requests. Prepare summary of documents.	Dunn, Barry	6.1	\$180.00	\$1,098.00
08/13/2012 -	Work on data responses and issues regarding confidentiality	Braun, Monica	12.3	\$184.50	\$2,269.35
08/13/2012 -	Examine Life Assessment Study; telephone Mr. Spanos; conference call re pending matters	Watt, Robert	0.8	\$357.23	\$285.78
08/15/2012 -	Final review of data responses; conference with client re: same; edit response references;	Ingram, III, Lindsey	3	\$286.16	\$858.48

		attend status call				
08/13/2012	-	Review data responses at LG&E and KU. Draft petitions for confidential protection. Discuss data responses with LG&E and KU employees.	Dunn, Barry	13.1	\$180.00	\$2,358.00
08/13/2012	-	Work on discovery responses.	Riggs, Kendrick	9.6	\$357.22	\$3,429.31
08/13/2012	-	Call re: rate case status and tasks; address document production issue with Mr. Dunn.	Thacker, Chris	0.7	\$198.00	\$138.60
08/14/2012	-	Work on data responses and confidential materials	Braun, Monica	11.3	\$184.50	\$2,084.85
08/14/2012	-	Prepare petitions for confidential protection and motions to deviate; review and style data response	Dunn, Barry	10.9	\$180.00	\$1,962.00
08/14/2012	-	Work on discovery responses.	Riggs, Kendrick	12.4	\$357.22	\$4,429.53
08/15/2012	-	Supplement data responses. Respond to questions about prior day's filing.	Dunn, Barry	5.7	\$180.00	\$1,026.00
08/15/2012	-	Work on issues related to discovery; draft sur-reply to Gerstle motion to intervene	Braun, Monica	4.4	\$184.50	\$811.80
08/15/2012	-	Follow-up on discovery responses; work on same.	Riggs, Kendrick	8.5	\$357.22	\$3,036.37
08/16/2012	-	Follow-up on outstanding discovery issues; attend meeting at LG&E/KU with Ms. Sturgeon and state regulatory personnel re regulatory issues.	Riggs, Kendrick	6.7	\$357.22	\$2,393.37
08/16/2012	-	Call re regulatory strategy.	Crosby, III, W. Duncan	1.5	\$224.84	\$337.26
08/16/2012	-	Draft supplemental responses; petitions for confidential protection; objections to motions to intervene	Braun, Monica	6.8	\$184.50	\$1,254.60
08/16/2012	-	Work with KIUC supplemental data responses	Stephens, Molly	0.5	\$147.96	\$73.98
08/16/2012	-	Review discovery materials and discuss supplemental responses. Research discovery matters.	Dunn, Barry	1.2	\$180.00	\$216.00
08/17/2012	-	Attention to discovery issues; attention to objection to intervention.	Riggs, Kendrick	2	\$357.22	\$714.44
08/17/2012	-	Work on objections and other discovery issues.	Braun, Monica	2.7	\$184.50	\$498.15
08/17/2012	-	Research data responses and revenue requirement.	Dunn, Barry	2.9	\$180.00	\$522.00
08/17/2012	-	File Auxier objection.	Stephens, Molly	0.3	\$147.97	\$44.39
08/20/2012	-	Research past cases for updates to financial information and exhibits.	Dunn, Barry	1.6	\$180.00	\$288.00
08/20/2012	-	Work on objections to interventions; attention to discovery issues; attention to brief	Riggs, Kendrick	2	\$357.22	\$714.44

08/20/2012	-	----- Call with Mr. Riggs re: outline of post-hearing brief	Thacker, Chris	0.6	\$198.00	\$118.80
08/21/2012	-	Analysis of potential regulatory issues; begin work on brief.	Riggs, Kendrick	2.5	\$357.22	\$893.05
08/21/2012	-	Case status and discovery review.	Dunn, Barry	0.5	\$180.00	\$90.00
08/21/2012	-	Work on post-hearing brief outline	Thacker, Chris	0.5	\$198.00	\$99.00
08/21/2012	-	Discuss issues with discovery; begin drafting document regarding same; discuss brief	Braun, Monica	1.6	\$184.50	\$295.20
08/22/2012	-	Attention to objections to motions for intervention; analysis of potential regulatory issues.	Riggs, Kendrick	2	\$357.22	\$714.44
08/22/2012	-	Work on post-hearing brief; call with Mr. Riggs re: same	Thacker, Chris	1.8	\$198.00	\$356.40
08/22/2012	-	Review Amier rebuttal and email client regarding same; work on discovery outline; work on brief outline; revise and file Gerstle sur-reply.	Braun, Monica	1.9	\$184.50	\$350.55
08/22/2012	-	Serve sur-reply to Gerstle rebuttal on PSC and Gerstle	Stephens, Molly	0.2	\$147.95	\$29.59
08/23/2012	-	Work on discovery checklist	Braun, Monica	0.7	\$184.50	\$129.15
08/23/2012	-	Work on post-hearing brief	Thacker, Chris	2	\$198.00	\$396.00
08/23/2012	-	Attention to objections to motions for intervention.	Riggs, Kendrick	0.5	\$357.22	\$178.61
08/27/2012	-	Attention to discovery issues; attention to production of confidential information to KIUC; attention to motions for intervention.	Riggs, Kendrick	4	\$357.22	\$1,428.88
08/27/2012	-	Review supplemental discovery requests; emails between counsel; instructions regarding brief	Braun, Monica	0.4	\$184.50	\$73.80
08/28/2012	-	Attention to plan and assignments re: drafting of post-hearing brief and other pending issues in rate case	Thacker, Chris	1	\$198.00	\$198.00
08/28/2012	-	Analysis re latest issues and briefing	Eversole, Deborah	0.6	\$316.33	\$189.80
08/28/2012	-	Receive and review supplemental data requests; work on same.	Riggs, Kendrick	7.1	\$357.22	\$2,536.26
08/28/2012	-	Discuss rate case, brief, and supplemental data requests with members of legal team. Research allowable scope of data requests.	Dunn, Barry	1.2	\$180.00	\$216.00
08/28/2012	-	Analysis of 2nd round DRs; DR assignment meeting with client.	Crosby, III, W. Duncan	3.5	\$224.84	\$786.94
08/28/2012	-	Discuss brief; review supplemental data requests; conduct research regarding objections	Braun, Monica	2.7	\$184.50	\$498.15
08/28/2012	-	Attend rate case status call: review discovery	Ingram, III, Lindsev	1.2	\$286.16	\$343.39

		requests				
08/29/2012	-	Work on discovery responses.	Riggs, Kendrick	4.7	\$357.22	\$1,678.95
08/29/2012	-	Work on DR responses.	Crosby, III, W. Duncan	0.8	\$224.84	\$179.87
08/29/2012	-	Attention to discovery issues; review Gerstle rebuttal to sur-reply	Braun, Monica	0.8	\$184.50	\$147.60
08/30/2012	-	Work on discovery responses; meeting with client re same.	Riggs, Kendrick	5.6	\$357.22	\$2,000.43
08/30/2012	-	Work on portion of post-hearing brief	Eversole, Deborah	1.8	\$316.34	\$569.41
08/30/2012	-	Research Commission precedent regarding depreciation re data requests.	Braun, Monica	2	\$184.50	\$369.00
08/30/2012	-	Work on DR responses.	Crosby, III, W. Duncan	3.5	\$224.84	\$786.94
08/31/2012	-	Work on discovery issues.	Riggs, Kendrick	1.8	\$357.22	\$643.00
08/31/2012	-	Work on DR responses.	Crosby, III, W. Duncan	5.6	\$224.84	\$1,239.10
08/31/2012	-	Call with Mr. Riggs re: brief outline; revisions to outline; email to Ms. Sturgeon	Thacker, Chris	1.5	\$198.00	\$297.00
08/31/2012	-	Document review for data responses. Review and discuss data requests.	Dunn, Barry	2.5	\$180.00	\$450.00
08/31/2012	-	Research depreciation issues for data responses; phone call with client to discuss needed work and post-hearing brief	Braun, Monica	4.1	\$184.50	\$756.45
08/31/2012	-	Discovery status call	Ingram, III, Lindsey	0.4	\$286.15	\$114.46
07/16/2012	E105 - Telephone	Conference Call Expense	Riggs, Kendrick	1	\$7.69	\$7.69
07/25/2012	E105 - Telephone	Conference Call Expense	Riggs, Kendrick	1	\$5.71	\$5.71
08/06/2012	E106 - Online Research	Lexis Charges	Dunn, Barry	1	\$6.24	\$6.24
08/07/2012	E105 - Telephone	Telephone Expense 1(717)763-7211; 2 Mins.	Watt, Robert	1	\$0.20	\$0.20
08/08/2012	E101 - Copying	Duplicating Charges		36	\$0.08	\$2.88
08/08/2012	E101 - Copying	Duplicating Charges		96	\$0.08	\$7.68
08/09/2012	E105 - Telephone	Telephone Expense 1(512)923-2790; 1 Mins.	Ingram, III, Lindsey	1	\$0.10	\$0.10
08/09/2012	E105 - Telephone	Telephone Expense 1(512)923-2790; 1 Mins.	Ingram, III, Lindsey	1	\$0.10	\$0.10
08/09/2012	E105 - Telephone	Telephone Expense 1(515)426-4708; 2 Mins.	Crosby, III, W. Duncan	1	\$0.20	\$0.20
08/09/2012	E105 - Telephone	Telephone Expense 1(512)923-2790; 1 Mins.	Ingram, III, Lindsey	1	\$0.10	\$0.10
08/10/2012	E110 - Out-of-town Travel	Lodging, parking and etc. Reimburse 8/10/12 parking for meeting at LG&E/KU VENDOR: Riggs, Kendrick R; INVOICE#: 081612; DATE: 8/16/2012	Riggs, Kendrick	1	\$8.00	\$8.00
08/13/2012	E105 - Telephone	Telephone Expense 1(717)763-7211; 4 Mins.	Watt, Robert	1	\$0.40	\$0.40
08/14/2012	E110 - Out-of-town Travel	Long distance transportation, mileage 8/14 PSC Frankfort PAYEE: Larson, Juliane L; REQUEST#: 209793; DATE: 8/17/2012.	Larson, Juliane	1	\$63.82	\$63.82
08/15/2012	E110 - Out-of-town Travel	Long distance transportation, mileage 8/15 Attorney General Office Frankfort PAYEE: Larson, Juliane L; REQUEST#: 209793; DATE: 8/17/2012.	Larson, Juliane	1	\$5.55	\$5.55

		8/17/2012.					
08/16/2012	E110 - Out-of-town Travel	Long distance transportation, mileage 8/16/12 PSC Frankfort VENDOR: Burns, Trent; INVOICE#: 082412; DATE: 8/24/2012	Burns, Gregory	1	\$63.82		\$63.82
08/17/2012	E110 - Out-of-town Travel	Long distance transportation, mileage Louisville 8/10 VENDOR: Ingram, III Lindsey W; INVOICE#: \$1712; DATE: 8/17/2012	Ingram, III, Lindsey	1	\$88.80		\$88.80
08/17/2012	E110 - Out-of-town Travel	Lodging, parking and etc. parking 8/8,10,14 VENDOR: Braun, Monica; INVOICE#: \$1712; DATE: 8/17/2012	Braun, Monica	1	\$24.00		\$24.00
08/17/2012	E110 - Out-of-town Travel	Long distance transportation, mileage 8/17 PSC and Attorney General Office Frankfort, KY VENDOR: Larson, Juliane L; INVOICE#: 082412; DATE: 8/24/2012	Larson, Juliane	1	\$69.37		\$69.37
08/17/2012	E110 - Out-of-town Travel	Lodging, parking and etc. parking 8/10 VENDOR: Ingram, III Lindsey W; INVOICE#: \$1712; DATE: 8/17/2012	Ingram, III, Lindsey	1	\$8.00		\$8.00
08/17/2012	E110 - Out-of-town Travel	Long distance transportation, mileage Louisville, 8/8,10,13,14 VENDOR: Braun, Monica; INVOICE#: \$1712; DATE: 8/17/2012	Braun, Monica	1	\$355.20		\$355.20
08/21/2012	E101 - Copying	Duplicating Charges		61	\$0.08		\$4.88
08/27/2012	E107 - Delivery Services/Messengers	Federal Express Charges		1	\$16.08		\$16.08
08/27/2012	E105 - Telephone	Telephone Expense 1(515)421-2255; 15 Mins.	Riggs, Kendrick	1	\$1.30		\$1.30
08/28/2012	E106 - Online Research	Lexis Charges	Braun, Monica	1	\$3.12		\$3.12
08/28/2012	E106 - Online Research	Lexis Charges	Dunn, Barry	1	\$4.16		\$4.16
08/30/2012	E105 - Telephone	Telephone Expense 1(717)763-7211; 3 Mins.	Braun, Monica	1	\$0.30		\$0.30

Project: 054381

INVOICE

Date: October 2, 2012

RECEIVED

OCT 16 2012

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

ACCOUNTS PAYABLE

GANNETT FLEMING, INC.
VALUATION AND RATE DIVISION

Send check payments to:
Gannett Fleming Companies
P.O. Box 829190
Philadelphia, PA 19182-9190

P.O. BOX 87100
HARRISBURG, PA 17100-7100
(717) 783-7211

Send ACHIEFT payments to:
ABA: 031312738
Acct No: 5003165855
Acct Name: Gannett Fleming Companies

Federal E.I.N. 251613591

Invoice 054381*1209005

Invoice Period: August 25, 2012 through September 21, 2012

Contract No. 63159 - Rate Case

Summary of Current Charges

Phase 100	- KENTUCKY UTILITIES	\$ 6,056.08 ✓
Phase 200	- LG&E ELECTRIC	5,465.00 ✓
Phase 300	- LG&E GAS	205.00 ✓
Total Charges		\$ 11,726.08 ✓
Total Due This Invoice		\$11,726.08 ✓

Req# 93109
10/15/12

PO# 67571
Debbie Hillent
10/15/12

Project:	Task:	Exp Type:	Exp Org:	Amount
118327	RATE CASE 2012	314	026120	\$16,056.00
118326	RATE CASE 2012	314	026120	\$5,465.00
118326	RATE CASE 2012	314	026120	\$ 205.00

OK to pay
S. Wiseman

Project Manager: John J. Spanos

GANNETT FLEMING, INC.
VALUATION AND RATE DIVISION

Invoice Date: October 2, 2012
 Invoice No: 054381*1209005

Project: 054381 LG&E and KU Services Company

Phase 100 -- Kentucky Utilities

Labor Costs Labor Classification	Hours	Rate	Amount
Associate Analyst	22.00	\$ 125.00 ✓	\$ 2,750.00 ✓
John J. Spanos	14.00	205.00 ✓	2,870.00 ✓
Support Staff	5.00	85.00 ✓	425.00 ✓
Total Labor Costs			\$ 6,045.00 ✓
Expenses			
Postage/Federal Express			\$ 11.00 ✓
Total Expenses			11.06 ✓
Total Phase -- 100			\$ 6,056.06 ✓

Phase 200 -- LG&E Electric

Labor Costs Labor Classification	Hours	Rate	Amount
Associate Analyst	19.00	\$ 125.00 ✓	\$ 2,375.00 ✓
John J. Spanos	13.00	205.00 ✓	2,665.00 ✓
Support Staff	5.00	85.00 ✓	425.00 ✓
Total Labor Costs			\$ 5,465.00 ✓
Total Phase -- 200			\$ 5,465.00 ✓

Phase 300 -- LG&E Gas

Labor Costs Labor Classification	Hours	Rate	Amount
John J. Spanos	1.00	\$ 205.00 ✓	\$ 205.00 ✓
Total Labor Costs			\$ 205.00 ✓
Total Phase -- 300			\$ 205.00 ✓

RECEIVED
 OCT 16 2012
ACCOUNTS PAYABLE

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

	Phase 100 KU Electric	Phase 200 LGE Electric	Phase 300 LGE Gas	Phase 400	
				LGE Common Electric 71.00%	LGE Common Gas 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	May-12	May-12	May-12	May-12	May-12
Amount*	452.50	31.45	11.05	-	-
Date	Jul-12	Jul-12	Jul-12	Jul-12	Jul-12
Amount	1,200.00	-	-	-	-
Date	Aug-12	Aug-12	Aug-12	Aug-12	Aug-12
Amount*	-	11.05	(11.05)	-	-
Date	Aug-12	Aug-12	Aug-12	Aug-12	Aug-12
Amount	4,007.50	3,655.91	175.00	89.75	36.25
Date	Sep-12	Sep-12	Sep-12	Sep-12	Sep-12
Amount	6,056.05	5,465.00	205.00	-	-
Date					
Amount					
Total	16,476.06	15,063.41	2,440.00	692.25	282.75

Grand Total

34,954.47

- * The \$42.50 in May 2012 was split between electric and gas in order to reflect the same percentage split that occurred in April.
- * In August 2012, the split that occurred in May 2012 was reversed in order to reflect the charging of the invoice using journal entry 2431-0100-0812.

■ The Prime Group ■

Invoice for Services Rendered

Invoice Date: October 1, 2012

Invoice Number 102012-2

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

Attn: Mr. Robert Conroy

5.0 hours of consulting work by Steve Seelye @ \$200.00/hr performed during September for providing assistance in responding to data requests for rate cases for LG&E and KU. \$ 1,000.00

12.0 hours of consulting work by Jeff Wernert @ \$150.00/hr performed during September for providing assistance in responding to data requests for rate cases for LG&E and KU. \$ 1,800.00

2.0 hours of consulting work by Larry feltner @ \$150.00/hr performed during September for providing assistance in responding to data requests for rate cases for LG&E and KU. \$ 300.00

Total due for work performed in September \$ 3,100.00

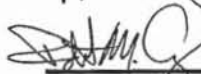
Please remit payment to: The Prime Group, LLC
P.O. Box 837
Crestwood, KY 40014-0837

RECEIVED

OCT 03 2012

ACCOUNTS PAYABLE

Approved AD # 67121

 10/1/12

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

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

■ The Prime Group ■

October 1, 2012

L.G&E
Attn: Robert Conroy
P.O. Box 32010
Louisville, KY 40232

Dear Robert:

Enclosed is an invoice for the additional work that The Prime Group performed during September for providing assistance in responding to data requests for rate cases for L.G&E and KU. Thanks for the opportunity to work with you on these projects.

Sincerely,

Marty Blake
Principal

Cc: Joan Henry

RECEIVED

OCT 03 2012

ACCOUNTS PAYABLE

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

Inv# FINANC 093012

FINANCIAL CONCEPTS AND APPLICATIONS, INC.
3907 RED RIVER
AUSTIN, TEXAS 78751

(512) 458-4644

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

September 30, 2012

RECEIVED

OCT 18 2012

ACCOUNTS PAYABLE

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

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

Consulting Services:

Research, Analysis, and Testimony
Preparation in Connection with Rate
Case before the Kentucky Public Service
Commission pursuant to Contract
No. 62686. (For the Period September
1, 2012 through September
30, 2012).

Professional Time:

William E. Avera		
1 1/2 hour	\$	600
Adrien M. McKenzie		
1 hours		275

Total

\$ 875

APPROVED PO# 67425

[Signature] 10/11/12

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

[Signature]

Bruce H. Fairchild