



RECEIVED

NOV 26 2008

PUBLIC SERVICE  
COMMISSION

Stephanie L. Stumbo  
Executive Director  
Kentucky Public Service Commission  
211 Sower Boulevard  
Frankfort, KY 40601

Kentucky Utilities Company  
State Regulation and Rates  
220 West Main Street  
PO Box 32010  
Louisville, Kentucky 40232  
www.eon-us.com

Robert M. Conroy  
Director - Rates  
T 502-627-3324  
F 502-627-3213  
robert.conroy@eon-us.com

November 26, 2008

RE: APPLICATION OF KENTUCKY UTILITIES COMPANY FOR AN  
ADJUSTMENT OF BASE RATES - Case No. 2008-00251  
(Updates to PSC-1 Question Nos. 43, 44, and 57; PSC-2 Question No.  
134; and PSC-3 Question No. 33)

APPLICATION OF KENTUCKY UTILITIES COMPANY TO FILE  
DEPRECIATION STUDY - Case No. 2007-00565

Dear Ms. Stumbo:

On August 12, 2008, in the above-referenced proceeding, Kentucky Utilities Company ("KU") filed initial responses to Question Nos. 43, 44, and 57 of the First Data Request of Commission Staff dated July 16, 2008. Pursuant to the directives in each of these data requests, KU hereby provides an original and ten (10) copies of the following information:

- PSC-1 Question No. 43 - updated Rives Exhibit 2 and Analysis of Embedded Cost of Capital to reflect changes through October 31, 2008.
- PSC-1 Question No. 44 - detailed monthly income statements for October 2008.
- PSC-1 Question No. 57 - updated actual rate case expenses through October 31, 2008.

Ms. Stephanie L. Stumbo  
November 26, 2008  
Page 2 of 3

On September 11, 2008, in the above-referenced proceeding, KU filed responses to the Second Data Request of Commission Staff dated August 27, 2008. Pursuant to the directive of Question No. 134, KU hereby provides an original and ten (10) copies of the status of the refinancing transactions as of October 31, 2008.

On October 7, 2008, in the above-referenced proceeding, KU filed responses to the Third Data Request of Commission Staff dated September 24, 2008. Pursuant to the directive of Question No. 33, KU hereby provides an original and ten (10) copies of its updated monthly average per-gallon cost of fuel as of October 31, 2008.

Please confirm your receipt of these documents by placing the File Stamp of your Office on the enclosed additional copy.

Please contact me if you have any questions about this filing.

Sincerely,

A handwritten signature in black ink, appearing to read "R. M. Conroy", with a long horizontal flourish extending to the right.

Robert M. Conroy

Enclosures

cc: Parties of Record

Ms. Stephanie L. Stumbo

November 26, 2008

Page 3 of 3

Counsel of Record

Allyson K. Sturgeon, Senior Corporate Attorney – E.ON U.S. LLC  
Robert M. Watt – Stoll Keenon Ogden PLLC (Kentucky Utilities)  
Kendrick R. Riggs – Stoll Keenon Ogden PLLC (Kentucky Utilities)  
W. Duncan Crosby – Stoll Keenon Ogden PLLC (Kentucky Utilities)  
Dennis Howard II – Office of the Attorney General (AG)  
Lawrence W. Cook – Office of the Attorney General (AG)  
Paul D. Adams – Office of the Attorney General (AG)  
Michael L. Kurtz – Boehm, Kurtz & Lowry (KIUC)  
David C. Brown – Stites and Harbison (Kroger)  
Willis L. Wilson – LFUCG Department of Law (LFUCG)  
Joe F. Childers – Getty & Childers PLLC (CAK and CAC)

Consultants to the Parties

Steve Seelye – The Prime Group (E.ON U.S. LLC)  
William A. Avera – FINCAP, Inc (E.ON U.S. LLC)  
John Spanos – Gannett Fleming, Inc. (E.ON U.S. LLC)  
Robert Henkes (AG)  
Michael Majoros – Snavely King Majoros O'Connor & Lee (AG)  
Glenn Watkins – Technical Associates (AG)  
Dr. J. Randall Woolridge – Smeal College of Business (AG)  
Lane Kollen – Kennedy and Associates (KIUC)  
Kevin C. Higgins – Energy Strategies, LLC (Kroger)

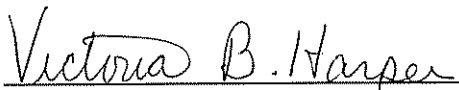
VERIFICATION

STATE OF KENTUCKY     )  
  ) SS:  
COUNTY OF JEFFERSON )

The undersigned, **S. Bradford Rives**, being duly sworn, deposes and says that he is the Chief Financial Officer, for Kentucky Utilities Company, 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.

  
\_\_\_\_\_  
**S. BRADFORD RIVES**

Subscribed and sworn to before me, a Notary Public in and before said County and State, this 25<sup>th</sup> day of November, 2008.

 (SEAL)  
\_\_\_\_\_  
Notary Public

My Commission Expires:

Sept 20, 2010

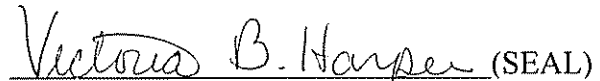
VERIFICATION

STATE OF KENTUCKY     )  
  ) SS:  
COUNTY OF JEFFERSON )

The undersigned, **Shannon L. Charnas**, being duly sworn, deposes and says that she is the Director, Utility Accounting for Kentucky Utilities Company, 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.

  
SHANNON L. CHARNAS

Subscribed and sworn to before me, a Notary Public in and before said County and State, this 25<sup>th</sup> day of November, 2008.

  
Victoria B. Harper (SEAL)  
Notary Public

My Commission Expires:

Sept 20, 2010

**KENTUCKY UTILITIES COMPANY**

**CASE NO. 2008-00251**

**UPDATED Response to First Data Request of Commission Staff  
Dated July 16, 2008**

**Updated Response filed November 26, 2008**

**Question No. 43**

**Responding Witness: S. Bradford Rives**

- 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 was not incorporated in the filed testimony and exhibits.
- A-43. See attached Updated Rives Exhibit 2 and Analysis of the Embedded Cost of Capital, reflecting changes to embedded cost of capital through October 31, 2008.

KENTUCKY UTILITIES

Capitalization at April 30, 2008

Revised Undistributed Subsidiary Earnings (Col 4), Investment in EEI (Col 5), and Investments in OVEC and Other (Col 6)  
With Annual Cost Rate as of October 31, 2008

	Per Books 04-30-08 (1)	Capital Structure (2)	Reacquired Bonds (not retired) (3)	Undistributed Subsidiary Earnings (4)	Investment in EEI (Col 2 x Col 5 Line 4) (5)	Investments in OVEC and Other (Col 2 x Col 6 Line 4) (6)	Adjustments to Total Company Capitalization (Sum of Col 3 + Col 6) (7)	Adjusted Total Company Capitalization (Col 1 + Col 7) (8)
1. Short Term Debt	\$ 93,302,454	3.27%	\$ (16,693,620)	\$ -	\$ (42,373)	\$ (27,477)	\$ (16,763,470)	\$ 76,538,984
2. Long Term Debt	1,247,059,520	43.70%	16,693,620	-	(566,265)	(367,194)	15,760,161	1,262,819,681
3. Common Equity	1,513,015,410	53.03%	-	(14,668,869)	(687,162)	(445,590)	(15,801,621)	1,497,213,789
4. Total Capitalization	<u>\$ 2,853,377,384</u>	<u>100.00%</u>	<u>\$ -</u>	<u>\$ (14,668,869)</u>	<u>\$ (1,295,800)</u>	<u>\$ (840,261)</u>	<u>\$ (16,804,930)</u>	<u>\$ 2,836,572,454</u>

	Adjusted Total Company Capitalization (8)	Jurisdictional Rate Base Percentage (Exhibit 3 Line 23) (9)	Adjusted Kentucky Jurisdictional Capitalization (Col 8 x Col 9) (10)	Adjusted Jurisdictional Capital Structure (11)	Annual Cost Rate October 31, 2008 (12)	Cost of Capital (Col 11 x Col 12) (13)
1. Short Term Debt	\$ 76,538,984	73.94%	\$ 56,592,925	2.70%	4.95%	0.13%
2. Long Term Debt	1,262,819,681	73.94%	933,728,872	44.52%	5.29%	2.36%
3. Common Equity	1,497,213,789	73.94%	1,107,039,876	52.78%	11.25%	5.94%
4. Total Capitalization	<u>\$ 2,836,572,454</u>		<u>\$ 2,097,361,673</u>	<u>100.00%</u>		<u>8.43%</u>

NOTES:

Column 12 used October 31, 2008 actual embedded cost rates.

**KENTUCKY UTILITIES COMPANY**  
**ANALYSIS OF THE EMBEDDED COST OF CAPITAL AT**  
**October 31, 2008**

	Due	Rate	Principal	Annualized Cost				Embedded Cost	
				Amortized Debt		Amortized Loss-			
				Interest(Income)	Issuance Expense	Premium	Required Debt		Total
<b>LONG-TERM DEBT</b>									
Pollution Control Bonds -									
Series 11 - Series A	05/01/23	3.400%	12,900,000	438,600	-	-	35,860	474,460	3.68
Series 12	02/01/32	1.830%	20,930,000	383,019	4,104	-	36,300	423,423	2.02
Series 13	02/01/32	1.830%	2,400,000	43,920	2,856	-	4,164	50,940	2.12
Series 14	02/01/32	1.830%	7,400,000	135,420	3,180	-	15,660	154,260	2.08
Series 15	02/01/32	1.830%	2,400,000	43,920	1,140	-	12,744	57,804	2.41
Series 16	10/01/32	4.106%	96,000,000	3,941,760	72,838	-	186,036	4,200,634	4.38
Series 17	10/01/34	5.500%	50,000,000	2,750,000	-	-	94,921	2,844,921	5.69
Series 22	10/01/34	7.125%	54,000,000	3,847,500	37,465	-	-	3,884,965	7.19
CC 2007A \$17.9M	02/01/26	5.750%	17,875,000	1,027,813	32,260	-	-	1,060,073	5.93
TC 2007A \$8.9M	03/01/37	6.000%	8,927,000	535,620	14,933	-	-	550,553	6.17
CC2008A \$77.9M	02/01/32	3.250%	77,947,405	2,533,291	12,182	-	-	2,545,473	3.27
Called Bonds			-	-	-	-	189,134	189,134	-
<b>Total External Debt</b>			<b>350,779,405</b>	<b>15,680,863</b>	<b>180,958</b>	<b>0.00</b>	<b>574,819</b>	<b>16,436,640</b>	<b>1.13%</b>
Notes Payable to Fidelity Corp	04/30/13	4.550%	100,000,000	4,550,000	-	-	-	4,550,000	4.55
Notes Payable to Fidelity Corp	08/15/13	5.310%	75,000,000	3,982,500	-	-	-	3,982,500	5.31
Notes Payable to Fidelity Corp	11/24/10	4.240%	33,000,000	1,399,200	-	-	-	1,399,200	4.24
Notes Payable to Fidelity Corp	01/16/12	4.390%	50,000,000	2,195,000	-	-	-	2,195,000	4.39
Notes Payable to Fidelity Corp	07/08/15	4.735%	50,000,000	2,367,500	-	-	-	2,367,500	4.74
Notes Payable to Fidelity Corp	12/21/15	5.360%	75,000,000	4,020,000	-	-	-	4,020,000	5.36
Notes Payable to Fidelity Corp	06/23/36	6.330%	50,000,000	3,165,000	-	-	-	3,165,000	6.33
Notes Payable to Fidelity Corp	10/25/16	5.675%	50,000,000	2,837,500	-	-	-	2,837,500	5.68
Notes Payable to Fidelity Corp	02/07/22	5.690%	53,000,000	3,015,700	-	-	-	3,015,700	5.69
Notes Payable to Fidelity Corp	03/30/37	5.860%	75,000,000	4,395,000	-	-	-	4,395,000	5.86
Notes Payable to Fidelity Corp	06/20/17	5.980%	50,000,000	2,990,000	-	-	-	2,990,000	5.98
Notes Payable to Fidelity Corp	09/14/28	5.960%	100,000,000	5,960,000	-	-	-	5,960,000	5.96
Notes Payable to Fidelity Corp	10/25/19	5.710%	70,000,000	3,997,000	-	-	-	3,997,000	5.71
Notes Payable to Fidelity Corp	12/19/14	5.450%	100,000,000	5,450,000	-	-	-	5,450,000	5.45
Notes Payable to Fidelity Corp	05/22/23	5.850%	75,000,000	4,387,500	-	-	-	4,387,500	5.85
Notes Payable to Fidelity Corp	07/25/18	6.160%	50,000,000	3,080,000	-	-	-	3,080,000	6.16
Notes Payable to Fidelity Corp	08/27/18	5.645%	50,000,000	2,822,500	-	-	-	2,822,500	5.65
<b>Total Internal Debt</b>			<b>1,106,000,000</b>	<b>60,614,400</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>60,614,400</b>	<b>4.16%</b>
<b>Total</b>			<b>1,456,779,405</b>	<b>76,295,263</b>	<b>180,958</b>	<b>0.00</b>	<b>574,819</b>	<b>77,051,040</b>	<b>5.29%</b>

	Rate	Principal	Annualized Cost				Embedded Cost	
			Interest	Expense	Premium	Loss		
<b>SHORT TERM DEBT</b>								
Notes Payable to Associated Company	4.950%	121,961,454	6,037,092	-	-	-	6,037,092	4.95%
Reacquired Bonds	4.950%	(62,900,000)	(3,113,550)	-	-	-	(3,113,550)	4.95%
<b>Total</b>		<b>59,061,454</b>	<b>2,923,542</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>2,923,542</b>	<b>4.95%</b>

Embedded Cost of Total Debt 79,974,582 **5.28%**

Composite rate at end of current month

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 required debt.

2 Reacquired bonds.



**KENTUCKY UTILITIES COMPANY**

**CASE NO. 2008-00251**

**UPDATED Response to First Data Request of Commission Staff  
Dated July 16, 2008**

**Updated Response filed November 26, 2008**

**Question No. 44**

**Responding Witness: Shannon L. Charnas**

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 statement for October 2008.

**KENTUCKY UTILITIES COMPANY**

Income Statements

October 31, 2008

**Kentucky Utilities Company**  
**Comparative Statement of Income**  
**October 31, 2008**

	Current Month			
	This Year Amount	Last Year Amount	Increase or Decrease Amount	%
Electric Operating Revenues.....	114,175,605.96	97,376,660.23	16,798,945.73	17.25
Total Operating Revenues.....	114,175,605.96	97,376,660.23	16,798,945.73	17.25
Fuel for Electric Generation.....	37,768,420.94	34,271,578.35	3,496,842.59	10.20
Power Purchased.....	19,597,394.62	12,371,207.86	7,226,186.76	58.41
Other Operation Expenses.....	14,255,802.07	11,844,537.75	2,411,264.32	20.36
Maintenance.....	6,836,724.31	10,026,873.23	(3,190,148.92)	(31.82)
Depreciation.....	11,896,710.57	10,124,876.07	1,771,834.50	17.50
Amortization Expense.....	460,493.97	411,749.86	48,744.11	11.84
Regulatory Credits.....	(192,937.57)	(179,631.83)	(13,305.74)	7.41
Taxes				
Federal Income.....	4,801,985.47	3,795,343.12	1,006,642.35	26.52
State Income.....	923,458.74	729,873.67	193,585.07	26.52
Deferred Federal Income - Net.....	-	-	-	-
Deferred State Income - Net.....	-	-	-	-
Property and Other.....	2,139,536.29	1,723,355.10	416,181.19	24.15
Investment Tax Credit.....	-	-	-	-
Loss (Gain) from Disposition of Allowances.....	-	-	-	-
Accretion Expense.....	168,188.63	155,089.06	13,099.57	8.45
Total Operating Expenses.....	98,655,778.04	85,274,852.24	13,380,925.80	15.69
Net Operating Income.....	15,519,827.92	12,101,807.99	3,418,019.93	28.24
Other Income Less Deductions				
Other Income Less Deductions.....	696,574.77	1,271,958.28	(575,383.51)	(45.24)
AFUDC - Equity.....	515,853.08	365,858.81	149,994.27	41.00
Total Other Income Less Deductions.....	1,212,427.85	1,637,817.09	(425,389.24)	(25.97)
Income Before Interest Charges.....	16,732,255.77	13,739,625.08	2,992,630.69	21.78
Interest on Long-term Debt.....	6,362,919.33	4,774,447.75	1,588,471.58	33.27
Amortization of Debt Expense - Net.....	62,981.49	59,614.20	3,367.29	5.65
Other Interest Expenses.....	713,150.98	460,757.08	252,393.90	54.78
AFUDC - Borrowed Funds.....	(174,243.00)	(105,261.28)	(68,981.72)	65.53
Total Interest Charges.....	6,964,808.80	5,189,557.75	1,775,251.05	34.21
Net Income.....	9,767,446.97	8,550,067.33	1,217,379.64	14.24

**Kentucky Utilities Company**  
**Comparative Statement of Income**  
**October 31, 2008**

	Year to Date			
	This Year Amount	Last Year Amount	Increase or Decrease Amount	%
Electric Operating Revenues.....	1,153,854,449.52	1,060,166,578.13	93,687,871.39	8.84
Total Operating Revenues.....	1,153,854,449.52	1,060,166,578.13	93,687,871.39	8.84
Fuel for Electric Generation.....	417,112,320.63	388,103,278.47	29,009,042.16	7.47
Power Purchased.....	183,931,819.90	140,944,774.01	42,987,045.89	30.50
Other Operation Expenses.....	138,469,033.69	125,948,865.77	12,520,167.92	9.94
Maintenance.....	76,328,190.38	67,055,684.38	9,272,506.00	13.83
Depreciation.....	107,379,878.26	95,098,035.73	12,281,842.53	12.91
Amortization Expense.....	4,306,317.06	4,582,904.39	(276,587.33)	(6.04)
Regulatory Credits.....	(1,888,016.98)	(1,741,517.79)	(146,499.19)	8.41
Taxes				
Federal Income.....	28,713,620.13	30,041,085.41	(1,327,465.28)	(4.42)
State Income.....	8,458,217.24	10,740,777.13	(2,282,559.89)	(21.25)
Deferred Federal Income - Net.....	(2,982,047.83)	(4,537,747.41)	1,555,699.58	(34.28)
Deferred State Income - Net.....	(1,429,408.42)	(125,564.12)	(1,303,844.30)	1,038.39
Property and Other.....	17,458,845.40	15,551,907.69	1,906,937.71	12.26
Investment Tax Credit.....	21,919,897.97	28,966,647.00	(7,046,749.03)	(24.33)
Loss (Gain) from Disposition of Allowances.....	(583,106.55)	(706,851.51)	123,744.96	(17.51)
Accretion Expense.....	1,642,541.47	1,551,184.60	91,356.87	5.89
Total Operating Expenses.....	998,838,102.35	901,473,463.75	97,364,638.60	10.80
Net Operating Income.....	155,016,347.17	158,693,114.38	(3,676,767.21)	(2.32)
Other Income Less Deductions				
Other Income Less Deductions.....	25,608,067.80	22,366,674.75	3,241,393.05	14.49
AFUDC - Equity.....	4,944,078.29	2,493,963.87	2,450,114.42	98.24
Total Other Income Less Deductions.....	30,552,146.09	24,860,638.62	5,691,507.47	22.89
Income Before Interest Charges.....	185,568,493.26	183,553,753.00	2,014,740.26	1.10
Interest on Long-term Debt.....	56,644,559.88	38,552,413.96	18,092,145.92	46.93
Amortization of Debt Expense - Net.....	613,659.75	733,437.59	(119,777.84)	(16.33)
Other Interest Expenses.....	3,643,976.82	6,772,066.41	(3,128,089.59)	(46.19)
AFUDC - Borrowed Funds.....	(1,677,964.69)	(715,878.35)	(962,086.34)	134.39
Total Interest Charges.....	59,224,231.76	45,342,039.61	13,882,192.15	30.62
Net Income.....	126,344,261.50	138,211,713.39	(11,867,451.89)	(8.59)

**Kentucky Utilities Company**  
**Comparative Statement of Income**  
**October 31, 2008**

	Year Ended Current Month			
	This Year Amount	Last Year Amount	Increase or Decrease Amount	%
Electric Operating Revenues.....	1,366,236,770.63	1,268,772,151.97	97,464,618.66	7.68
Total Operating Revenues.....	1,366,236,770.63	1,268,772,151.97	97,464,618.66	7.68
Fuel for Electric Generation.....	489,127,726.80	458,112,313.57	31,015,413.23	6.77
Power Purchased.....	211,430,651.53	169,011,964.48	42,418,687.05	25.10
Other Operation Expenses.....	165,443,004.28	151,017,401.59	14,425,602.69	9.55
Maintenance.....	94,514,700.19	77,928,902.12	16,585,798.07	21.28
Depreciation.....	127,546,007.24	113,961,813.97	13,584,193.27	11.92
Amortization Expense.....	5,143,957.63	5,438,308.91	(294,351.28)	(5.41)
Regulatory Credits.....	(2,247,702.53)	(2,082,306.61)	(165,395.92)	7.94
Taxes				
Federal Income.....	26,434,950.51	32,541,014.59	(6,106,064.08)	(18.76)
State Income.....	10,777,658.14	12,997,919.07	(2,220,260.93)	(17.08)
Deferred Federal Income - Net.....	(4,804,463.80)	(5,271,113.12)	466,649.32	(8.85)
Deferred State Income - Net.....	(1,791,909.98)	(597,070.10)	(1,194,839.88)	200.12
Property and Other.....	20,346,014.38	18,877,668.23	1,468,346.15	7.78
Investment Tax Credit.....	35,519,897.97	40,966,647.00	(5,446,749.03)	(13.30)
Loss (Gain) from Disposition of Allowances.....	(583,106.55)	(706,851.51)	123,744.96	(17.51)
Accretion Expense.....	1,952,719.59	1,842,454.60	110,264.99	5.98
Total Operating Expenses.....	1,178,810,105.40	1,074,039,066.79	104,771,038.61	9.75
Net Operating Income.....	187,426,665.23	194,733,085.18	(7,306,419.95)	(3.75)
Other Income Less Deductions				
Other Income Less Deductions.....	31,692,074.73	25,643,821.09	6,048,253.64	23.59
AFUDC - Equity.....	5,777,819.27	2,637,543.10	3,140,276.17	119.06
Total Other Income Less Deductions.....	37,469,894.00	28,281,364.19	9,188,529.81	32.49
Income Before Interest Charges.....	224,896,559.23	223,014,449.37	1,882,109.86	0.84
Interest on Long-term Debt.....	66,592,629.49	45,019,143.98	21,573,485.51	47.92
Amortization of Debt Expense - Net.....	733,722.68	885,273.59	(151,550.91)	(17.12)
Other Interest Expenses.....	4,392,977.44	7,276,193.60	(2,883,216.16)	(39.63)
AFUDC - Borrowed Funds.....	(1,917,892.97)	(814,052.07)	(1,103,840.90)	135.60
Total Interest Charges.....	69,801,436.64	52,366,559.10	17,434,877.54	33.29
Net Income.....	155,095,122.59	170,647,890.27	(15,552,767.68)	(9.11)

**KENTUCKY UTILITIES COMPANY**

**CASE NO. 2008-00251**

**UPDATED Response to First Data Request of Commission Staff  
Dated July 16, 2008**

**Updated Response filed November 26, 2008**

**Question No. 57**

**Responding Witness: Shannon L. Charnas**

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. See attached.

KENTUCKY UTILITIES COMPANY  
CASE NO. 2008-00251

Schedule of Rate Case Preparation Costs

Response to Commission's Order  
Dated July 16, 2008

Question No. 57c

Responding Witness: Shannon L. Charnas

Date	Wire # / Journal # / Check #	Vendor #	Vendor Name	Hours	Rate/Hr	Amount	Description	Account
29-Aug-08	593812	40033	STOLL KEENON OGDEN PLLC	213.10	242.81	51,743.08	PROFESSIONAL SERVICES	0100.303.018930.026900.186023.0000.0321.0000
29-Sep-08	596627	40033	STOLL KEENON OGDEN PLLC	111.10	249.46	27,715.08	PROFESSIONAL SERVICES	0100.303.018930.026900.186023.0000.0321.0000
			SUBTOTAL LEGAL OUTSIDE COUNSEL KU ELECTRIC			79,458.16		
			TOTAL LEGAL OUTSIDE COUNSEL KU ELECTRIC @ 9/30/08			58,435.68		
			<b>TOTAL LEGAL OUTSIDE COUNSEL KU ELECTRIC</b>			<b>137,893.84</b>		
30-Sep-08	FINANC093008	68792	FINANCIAL CONCEPTS AND APPLICATIONS INC	19.00	451.97	8,587.50	Consultant fees for services provided by Financial Concepts	0100.303.018960.021440.186023.0000.0301.0000
2-Sep-08	200892	19025	THE PRJME GROUP LLC	33.25	185.71	6,175.00	KU Rate Case	0100.303.018960.021440.186023.0000.0305.0000
25-Sep-08	04779308810	59107	GANNETT FLEMING INC	17.00	149.71	2,545.00	Deprecation Study	0100.303.018990.026120.183023.0000.0314.0000
			SUBTOTAL CONSULTANTS KU ELECTRIC			17,307.50		
			TOTAL CONSULTANTS KU ELECTRIC @ 9/30/08			72,614.50		
			<b>TOTAL CONSULTANTS KU ELECTRIC</b>			<b>89,922.00</b>		
15-Oct-08	15-OCT-2008 14:10 SERV	57511	CENTRAL OFFICE SUPPLY			5,517.09	Office supplies	0100.503.018960.021440.186023.0000.0410.0000
8-Oct-08	104285822	24102	XEROX CORP			2,272.49	Copies	0100.503.018960.025510.186023.0000.0301.0000
4-Oct-08	104238843	24102	XEROX CORP			2,697.00	Copies	0100.503.018960.025510.186023.0000.0301.0000
			SUBTOTAL SUPPLIES/SERVICES - OTHER KU ELECTRIC			10,486.58		
			TOTAL SUPPLES/SERVICES - OTHER KU ELECTRIC @ 9/30/08			866,145.00		
			<b>TOTAL SUPPLIES/SERVICES - OTHER KU ELECTRIC</b>			<b>876,631.58</b>		
			<b>TOTAL RATE CASE EXPENSES @ 10/31/2008</b>			<b>1,104,447.42</b>		

**Stoll Keenon Ogden PLLC**  
2000 PNC Plaza  
500 West Jefferson Street  
Louisville, Kentucky 40202-2828  
502 333-6000  
Tax ID # 61-0421389

E ON U S LLC  
Attn: Dorothy E O'Brien  
220 West Main Street  
Louisville, KY 40202

August 29, 2008  
Invoice #: 593812  
Account #: 400001/129265

---

Please send your payment by September 27, 2008 to Stoll Keenon Ogden PLLC at:  
P.O. Box 11969  
Lexington, KY 40579-1969

Re: 2008 Rate Case  
Your Reference: Resp Atty: Allyson Sturgeon  
Operating Cos.: LG&E and KU  
eCounsel No.:26970

Fees rendered this bill	\$ 114,538.50
Less E ON special discount	\$-11,453.85
Disbursements	\$ 401.51
<b>Total Current Charges This Matter</b>	<b>\$ 103,486.16</b>

123395	KU RATE CASE	0321	026900 =	51743.08
123396	LGE RATE CASE-E	0321	026900 =	38807.31
123400	LGE RATE CASE-G	0321	026900 =	12935.77
				<u>103,486.16</u>

Prepared by (see attached for approval):

KLW  
Kathy L. Wilson, Legal Admin Asst (2541)

Date: 10-3-08



E ON U S LLC

Stoll Keenon Ogden PLLC  
Invoice No. 593812

Professional Services for the period through 07/31/08, including the following:

Re: 2008 Rate Case  
Your Reference: Resp Atty: Allyson Sturgeon  
Operating Cos : LG&E and KU  
eCounsel No :26970  
Our Reference: 400001/129265/KRR/1016

<u>Date</u>	<u>Description</u>	<u>Tkpr</u>	<u>Hours</u>
07/01/08	Analysis of PSC regulations re publication of notice; prepare a response to client re same; review PSC deficiency sheet; read press releases.	DTE	1.20
07/01/08	Work on testimony	KRR	6.80
07/01/08	Review Bob Watts' comments to testimonies; review press release; review Mr. Hudson's e-mails regarding sources of support for testimony of Mr. Thompson; review Mr. Thompson's comments to his own testimony.	MTH	1.00
07/01/08	Work on testimony	RMW	5.50
07/01/08	Testimony meeting at E ON; revisions to draft testimony	WDC	5.70
07/02/08	Review and edit notices for publications; meeting at E ON re same; review and edit certifications and notices to be filed with the Commission with the rate applications	DTE	4.20
07/02/08	Attend meetings at E ON re testimony and rate case issues; work on same	KRR	9.70
07/02/08	Telephone conference with Mr. Mullins regarding Safety Council; draft e-mail to Mr. Cornett regarding same.	MTH	0.30
07/02/08	Work on testimony	RMW	4.00
07/02/08	Testimony review meetings at E ON; revisions to draft testimonies.	WDC	9.80
07/03/08	Work on testimony	KRR	9.00
07/03/08	Review e-mails regarding testimonies of Staffieri, Hermann and Thompson.	MTH	0.20
07/03/08	Review and analysis of Avera testimony; research ROE literature; telephone call to Mr. Reinert re filing requirements	RMW	4.00
07/03/08	Revisions to draft testimonies.	WDC	6.70
07/07/08	Meetings at E ON re testimony; work on same.	KRR	7.00
07/07/08	Exchange e-mails with Mr. Cornett regarding revising Mr Hermann's testimony; revise Mr Hermann's KU testimony; review Safety Governance Handbook; telephone conference with Mr Sheridan regarding Handbook	MTH	3.00
07/07/08	Travel to and from Louisville; examine filing requirements and conference with Mr Reinert; meetings with Messrs Rives, Blake.	RMW	6.00

**Keep this copy for your records.**

E ON U S LLC

Stoll Keenon Ogden PLLC  
Invoice No. 593812

<u>Date</u>	<u>Description</u>	<u>Tkpr</u>	<u>Hours</u>
	Arbough and Lovekamp re Avera testimony		
07/07/08	Meeting at E.ON re draft testimony; revisions to draft testimony	WDC	5.00
07/08/08	Work on testimony and motion to consolidate.	KRR	7.50
07/08/08	Telephone conferences with Mr. Sheridan regarding Safety Council; draft additional portions of Mr. Hermann's LG&E and KU testimonies related to same; revise Mr. Hermann's testimonies and draft e-mail to Mr. Cornett attaching same; review e-mails from E.ON regarding comments and revisions to testimonies of Mr. Hermann	MTH	3.90
07/08/08	Review and analysis of Avera testimony and send to Mr. Arbough; e-mail to Messrs. Arbough and Lovekamp	RMW	2.50
07/08/08	Revisions to draft rate case testimony	WDC	8.80
07/09/08	Work on testimony; work on motion to consolidate filing	KRR	8.00
07/09/08	Revise testimony of Mr. Hermann per Mr. Cornett; address Mr. Murphy's questions regarding same; e-mail Mr. Cornett regarding same	MTH	0.70
07/09/08	Revisions to draft testimonies; meeting at E.ON re same	WDC	2.70
07/10/08	Work on testimony.	KRR	11.50
07/10/08	Revisions to Mr. Hermann's LG&E and KU testimonies	MTH	0.70
07/10/08	Revisions to draft testimony; meeting at E.ON re same.	WDC	7.30
07/11/08	Work on testimony.	KRR	6.00
07/11/08	Revise testimonies of Mr. Hermann, Mr. Thompson and Mr. Staffieri and recirculate to client	MTH	1.00
07/11/08	Begin examination of notices	RMW	0.50
07/11/08	Revisions to draft testimony.	WDC	6.10
07/13/08	Research. review proposed notices	DTE	0.70
07/13/08	Examine and revise newspaper notices	RMW	1.00
07/14/08	Telephone from and to and email correspondence with client regarding financial exhibit to rate case application; research same	JWH	1.80
07/14/08	Work on testimony	KRR	7.00
07/14/08	Prepare for and attend meeting at E.ON regarding testimonies of Messrs. Staffieri, Thompson and Hermann; review e-mails re revisions to testimonies of Messrs. Staffieri, Thompson and Hermann.	MTH	5.60
07/14/08	Revisions to draft notices and testimony	WDC	5.70

Keep this copy for your records.

E ON U S. LLC

Stoll Keenon Ogden PLLC  
Invoice No 593812

<u>Date</u>	<u>Description</u>	<u>Tkpr</u>	<u>Hours</u>
07/15/08	Work on testimony	KRR	5.00
07/15/08	Review e-mails and attachments regarding revisions to testimonies of Messrs Staffieri, Thompson and Hermann; work on testimonies of same	MTH	7.70
07/15/08	Travel to and from Louisville; attend meeting re filing requirements	RMW	4.50
07/15/08	E-mail re various filing requirement issues; research case re FERC Form 2/filing issue	RMW	1.00
07/15/08	Revisions to draft certificates of notice, filing requirements, and testimonies	WDC	6.40
07/16/08	Work on testimony	KRR	10.00
07/16/08	Work on rate case testimonies of Messrs. Hermann, Thompson and Staffieri; review proposed revisions to application; prepare for meeting with Mr Hermann	MTH	8.50
07/16/08	Examine and revise various parts of rate filing; e-mail re same; telephone conference re revenue requirement issue	RMW	3.50
07/16/08	Final tariff review; revisions to testimonies	WDC	12.20
07/17/08	Work on testimony	KRR	5.00
07/17/08	Prepare for and attend meeting with Mr. Hermann regarding testimonies; work on testimonies for Messrs Hermann, Staffieri and Thompson	MTH	8.50
07/17/08	Conference call with Mr Avera, et al; e-mail to Mr. Avera and Ms Sturgeon re testimony	RMW	2.00
07/17/08	Revisions to draft testimonies	WDC	9.60
07/18/08	Work on testimony	KRR	3.00
07/18/08	Work on drafting and revising testimony for Staffieri, Hermann and Thompson	MTH	7.50
07/18/08	Filing requirement and treatment of Spanos testimony; examine revisions to Avera testimony	RMW	1.00
07/18/08	Revisions to draft testimonies	WDC	7.10
07/19/08	Work on drafting testimonies	MTH	1.60
07/20/08	Work on backup for testimonies of Messrs Staffieri, Thompson and Hermann	MTH	1.80
07/21/08	Work on testimony	KRR	4.50
07/21/08	Prepare for meeting with Mr. Thompson and work on rate case testimony	MTH	1.30
07/21/08	Examine Avera testimony and e-mail Mr. Arbough re same	RMW	0.50

**Keep this copy for your records.**

E.ON U S LLC

Stoll Keenon Ogden PLLC  
Invoice No 593812

<u>Date</u>	<u>Description</u>	<u>Tkpr</u>	<u>Hours</u>
07/21/08	Revisions to testimonies; meeting at E ON re same	WDC	11.20
07/22/08	Review comments and edits to testimony of Mr. Thompson; collect and organize back up for same; attend meeting with Mr. Thompson regarding testimony; revise rate case testimonies.	MTH	8.40
07/22/08	Work with Mr. Avera to get final testimony to client; email client re same	RMW	1.00
07/22/08	Revisions to testimonies, applications, and certificates of notice; meetings at E.ON re same.	WDC	12.10
07/23/08	Work on testimony and filing.	KRR	9.50
07/23/08	Work on Mr. Staffieri's testimony; work on Mr. Hermann's testimony	MTH	3.40
07/23/08	Revisions to rate case testimonies, applications, and certificates of notice; meeting at E.ON re same.	WDC	9.20
07/24/08	Meet with Mr. Crosby re locating pleadings and case information; phone calls to state archives, EPA, and PSC; research re case information	JLK	1.80
07/24/08	Work on testimony.	KRR	4.00
07/24/08	Revisions to draft testimonies; meetings at E.ON re same	WDC	8.70
07/25/08	Research re petition for confidential protection of response to PSC 1st data request	DTE	0.90
07/25/08	Phone calls to state archives and and PSC re location of PSC records; meet with Mr. Crosby re location of records; phone call to client re same	JLK	1.50
07/25/08	Work on testimony issues	KRR	3.00
07/25/08	Collect support for testimonies of Messrs. Thompson, Staffieri and Hermann.	MTH	0.60
07/25/08	Research for rate case; review of draft expert testimony.	WDC	5.90
07/26/08	Review draft testimony by Mr. Seelye.	KRR	2.30
07/26/08	Work on Mr. Hermann's back-up support for testimony	MTH	1.20
07/28/08	Obtain public PSC case records from PSC	JLK	8.80
07/28/08	Attention to rate case issues and motions for intervention	KRR	2.00
07/28/08	Prepare back-up support notebook for Mr. Hermann.	MTH	3.70
07/28/08	Review of draft expert testimony; research for data responses	WDC	5.90
07/29/08	Meet with Mr. Crosby re review of PSC records search	JLK	0.60

**Keep this copy for your records.**

E ON U S LLC

Stoll Keenon Ogden PLLC  
Invoice No 593812

<u>Date</u>	<u>Description</u>	<u>Tkpr</u>	<u>Hours</u>
07/29/08	Attention to rate case issues	KRR	1.00
07/29/08	Finish preparing support notebook for Mr. Hermann's testimony	MTH	3.40
07/29/08	Research re data responses and other issues	WDC	7.40
07/30/08	Attention to various rate case issues	KRR	1.00
07/30/08	Review Mr Hermann's support notebook and supplement same	MTH	0.30
07/30/08	Memo re data response research	WDC	7.00
07/31/08	Analysis re PSC procedure on petitions for confidential treatment	DTE	0.20
07/31/08	Telephone conference with Ms Sturgeon re discovery issues; work on discovery issues	KRR	2.50
07/31/08	Memo and confidentiality petition re data responses	WDC	7.40
<b>Total Services</b>			<b>\$114,538.50</b>

**Summary of Services**

<u>Init</u>	<u>Timekeeper</u>	<u>Hours</u>	<u>Rate</u>	<u>Value</u>
RMW	Watt, R M	37.00	350.00	12,950.00
DTE	Eversole, D T	7.20	310.00	2,232.00
JWH	Hendricks, J Wade	1.80	290.00	522.00
KRR	Riggs, Kendrick R.	125.30	350.00	43,855.00
WDC	Crosby, III, W Duncan	167.90	220.00	36,938.00
JLK	Kroh, Jennifer L	12.70	75.00	952.50
MTH	Hurst, M T	74.30	230.00	17,089.00
<b>Total Services</b>		<b>426.20</b>		<b>\$ 114,538.50</b>

**Disbursements**

<u>Date</u>	<u>Description</u>	<u>Tkpr</u>	<u>Amount</u>
07/01/08	7/1 PSC/Frankfort VENDOR: Devine, Adam L; INVOICE#: 070308; DATE: 7/3/2008	ALD	\$73.13
07/07/08	1(270)841-8112; 2 Mins	MTH	\$0.38
07/08/08	1(270)841-8112; 37 Mins	MTH	\$7.03
07/08/08	1(270)841-8112; 14 Mins	MTH	\$2.66
07/09/08	Duplicating Charges		\$11.52
07/09/08	Mileage to Frankfort, KY VENDOR: Johnson, John C; INVOICE#: 71108; DATE: 7/11/2008	JCJ	\$73.13
07/11/08	louisville, parking 7/7 VENDOR: Watt, Robert M; INVOICE#: 71108; DATE: 7/11/2008	RMW	\$84.05
07/18/08	louisville, parking 7/15	RMW	\$86.90

**Keep this copy for your records.**

E ON U S LLC

Stoll Keenon Ogden PLLC  
Invoice No 593812

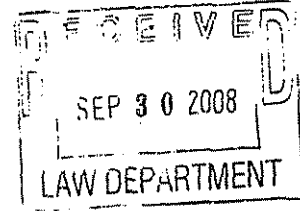
07/21/08	VENDOR: Watt, Robert M; INVOICE#: 71808; DATE: 7/18/2008 Parking at LG&E Garage for meeting	KRR	\$5.00
07/22/08	VENDOR: Riggs, Kendrick R; INVOICE#: 73108; DATE: 7/30/2008 1(512)458-4644; 1 Mins.	RMW	\$0.19
07/22/08	1(512)458-4644; 1 Mins.	RMW	\$0.19
07/29/08	Duplicating Charges		\$56.16
07/29/08	Mileage to 820 W Broadway		\$1.17
	VENDOR: Devine, Adam L; INVOICE#: 80108; DATE: 8/1/2008		
	<b>Total Disbursements</b>		<b>\$401.51</b>

**Summary of Disbursements**

<u>Disb Code</u>	<u>Description</u>	<u>Amt</u>
002	Duplicating Charges	\$67.68
005	Telephone Expense	\$10.45
020	Local Transportation; Mileage	\$1.17
041	Travel Expense	\$322.21
	<b>Total Disbursements</b>	<b>\$401.51</b>

TOTAL FEES & DISBURSEMENTS	\$114,940.01
LESS DISCOUNT	\$-11,453.85
<b>Total Current Charges This Matter</b>	<b>\$103,486.16</b>

**Stoll Keenon Ogden PLLC**  
2000 PNC Plaza  
500 West Jefferson Street  
Louisville, Kentucky 40202-2828  
502 333-6000  
Tax ID # 61-0421389



E ON U.S. LLC  
Attn: Dorothy E O'Brien  
220 West Main Street  
Louisville, KY 40202

September 29, 2008  
Invoice #: 596627  
Account #: 400001/129265

Please send your payment by October 29, 2008 to Stoll Keenon Ogden PLLC at:  
P.O. Box 11969  
Lexington, KY 40579-1969

Re: 2008 Rate Case  
Your Reference: Resp Atty: Allyson Sturgeon  
Operating Cos.: LG&E and KU  
eCounsel No.:26970

Fees rendered this bill	\$ 60,663.50
Less E.ON special discount	\$-6,066.35
Disbursements	\$ 833.02
<b>Total Current Charges This Matter</b>	<b>\$ 55,430.17</b>

123395	KU RATE CASE	0321	026900 =	27,715.08
123396	LGE RATE CASE-E	0321	026900 =	20,786.31
123400	LGE RATE CASE-G	0321	026900 =	6,928.78
				<u>55,430.17</u>

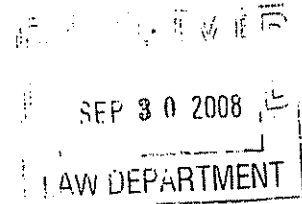
Prepared by (see attached for approval):

K.L.W.  
Kathy L. Wilson, Legal Admin Asst (2541)

Date: 10/13/08

**Stoll Keenon Ogden PLLC**

2000 PNC Plaza  
 500 West Jefferson Street  
 Louisville, Kentucky 40202-2828  
 502 333-6000  
 Tax ID # 61-0421389



E.ON U.S. LLC  
 Attn: Dorothy E O'Brien  
 220 West Main Street  
 Louisville, KY 40202

September 29, 2008  
 Invoice #: 596627  
 Account #: 400001/129265

Please send your payment by October 29, 2008 to Stoll Keenon Ogden PLLC at:  
 P.O. Box 11969  
 Lexington, KY 40579-1969

Re: 2008 Rate Case  
 Your Reference: Resp Atty: Allyson Sturgeon  
 Operating Cos.: LG&E and KU  
 eCounsel No.:26970

Fees rendered this bill	\$ 60,663.50
Less E ON special discount	\$-6,066.35
Disbursements	\$ 833.02
<b>Total Current Charges This Matter</b>	<b>\$ 55,430.17</b>
Balance as of August 29, 2008	\$103,486.16
Less payments on prior billings	\$0.00
<b>Balance due on prior billings</b>	<b>\$103,486.16</b>
<b>Total Amount Due This Matter</b>	<b>\$158,916.33</b>

Keep this copy for your records.



E ON U S LLC

Stoll Keenon Ogden PLLC  
Invoice No. 596627

Professional Services for the period through 08/31/08, including the following:

Re: 2008 Rate Case  
Your Reference: Resp Atty: Allyson Sturgeon  
Operating Cos.: LG&E and KU  
eCounsel No.: 26970  
Our Reference: 400001/129265/KRR/1016

<u>Date</u>	<u>Description</u>	<u>Tkpr</u>	<u>Hours</u>
08/01/08	Work on discovery issues	KRR	6.00
08/01/08	Work on Mr. Hermann's back-up support for testimony	MTH	0.80
08/01/08	Revisions to draft confidentiality petition; review of data responses; meeting at E.ON re data responses.	WDC	5.40
08/04/08	Work on discovery issues associated with PSC first set of data requests	KRR	1.50
08/04/08	Research re rate filings; revisions to petitions for confidential protection	WDC	5.70
08/05/08	Work on discovery issues associated with PSC first set of data requests	KRR	6.00
08/05/08	Analysis of past rate cases for current filing; draft of petition for deviation	WDC	5.40
08/06/08	Work on discovery issues associated with PSC first set of data requests	KRR	8.00
08/06/08	Work on Mr. Hermann's back-up support	MTH	2.80
08/06/08	Review of deficiency notice and examine Bellar certificate	RMW	0.50
08/06/08	Analysis of past rate case documents for current filing; meeting at E.ON re same; draft petitions for deviation; draft certificates of supplemental notice.	WDC	10.20
08/07/08	Meet with Mr. Crosby re obtaining documents from Public Service Commission	JLK	0.20
08/07/08	Work on discovery issues associated with PSC first set data requests	KRR	8.00
08/07/08	Examine filings re deficiency.	RMW	0.50
08/07/08	Revisions to draft motions to accept filings; revisions to petitions for confidential treatment.	WDC	7.50
08/08/08	Obtain documents from Public Service Commission	JLK	7.30
08/08/08	Work on discovery issues	KRR	6.00
08/08/08	Work on Mr. Hermann's back-up support	MTH	2.70
08/08/08	Revisions to draft petition for confidential protection; draft of	WDC	4.50

**Keep this copy for your records.**

E ON U S LLC

Stoll Keenon Ogden PLLC  
Invoice No. 596627

<u>Date</u>	<u>Description</u>	<u>Tkpr</u>	<u>Hours</u>
	confidentiality agreement		
08/11/08	Work on discovery issues re responses to PSC first set of data requests	KRR	6 00
08/11/08	Revisions to draft petitions for confidential treatment; analysis of rate case notice publication issues; preparation for brief drafting	WDC	3 90
08/12/08	Work on confidentiality agreement and send same to Attorney General; address discovery issues; address timing issues.	KRR	4 00
08/12/08	Call from D. Crosby and K. Riggs re research of PSC public records	PCH	0 20
08/12/08	Review microfilm at PSC office	PFS	2 00
08/12/08	Supervision of research; revisions to draft confidentiality agreement.	WDC	0 90
08/13/08	Attention to various procedural and notice issues.	KRR	1 00
08/13/08	Review microfilm and make copies at PSC (KU Rate cases: Newton and Davis testimony)	PFS	2 50
08/13/08	Supervision and review of research re financial issues.	WDC	0 90
08/14/08	Analysis of procedural issues; attention to motions for intervention.	KRR	2 00
08/14/08	Review filings and testimony.	RMW	2 00
08/14/08	Draft of response to Young motions for intervention.	WDC	1 60
08/15/08	Attention to notice issues; attention to motions for intervention; attention to confidentiality agreement with Attorney General; receive and review procedural schedule.	KRR	4 00
08/15/08	Draft of response to Geoffrey Young's petitions for intervention.	WDC	4 00
08/18/08	Attention to motions for intervention	KRR	0 50
08/18/08	Examine and revise reponse to Young motion to intervene	RMW	0 80
08/18/08	Draft of response to Young petitions to intervene; draft of brief outline	WDC	6 40
08/19/08	Attention to notice, discovery and regulatory issues; analysis of same.	KRR	2 00
08/19/08	Draft of rate case brief outline; drafts of petitions for deviation, certificates of completed service, and affidavits of publication.	WDC	4 80
08/20/08	Work on discovery issues.	KRR	3 00
08/20/08	Drafts of, and revisions to, certificates of completed notice, affidavits of publication, and petition for deviation from rule.	WDC	4 00

**Keep this copy for your records.**

E ON U S. LLC

Stoll Keenon Ogden PLLC  
Invoice No 596627

<u>Date</u>	<u>Description</u>	<u>Tkpr</u>	<u>Hours</u>
08/21/08	Answer rate case questions	KRR	0 50
08/22/08	Attention to publication issues; telephone conferences with client re rate case issues	KRR	0 70
08/25/08	Attention to motions for intervention; attention to upcoming discovery issues; work on proof of notice filings	KRR	2 00
08/25/08	Examine Young Reply; examine and revise brief memo; review Avera testimony; prepare for call re brief.	RMW	1 50
08/25/08	Research for potential response to Young; organizing e-discovery effort	WDC	6 50
08/26/08	Meeting at E.ON re various rate case issues; follow-up on same; work on responses to motions to intervention.	KRR	3 20
08/26/08	Conference call re brief; phone call from Duncan Crosby re dividing labor; obtain copies of prepared testimony	LAT	1 80
08/26/08	Review orders from PSC and e-mails from client regarding rate case; work on rate case brief; review data requests.	MTH	1 70
08/26/08	Conference call re brief; examine Young Reply re intervention; examine proposed sur-reply re Young; examine CAC and CAK data requests; examine data request protocol	RMW	2 50
08/26/08	Meetings at E.ON re capitalization and e-discovery and preparation therefor; draft of response re capitalization; revisions to brief outline	WDC	7 30
08/27/08	Receive, review and analysis of data requests	KRR	7 50
08/27/08	Review data requests	MTH	0 60
08/27/08	Travel to and from Louisville; meet re data requests	RMW	7 00
08/27/08	Draft of brief; data response meeting	WDC	8 90
08/28/08	Work on discovery issues	KRR	6 00
08/28/08	Review data requests	MTH	0 20
08/28/08	Organize and examine data requests	RMW	2 50
08/28/08	Research for data responses	WDC	5 10
08/29/08	Work on discovery issues	KRR	2 00
08/29/08	Research re data request issues	RMW	2 50
08/29/08	Draft of petition for confidential protection; research for same	WDC	4 70
08/30/08	Research and review file re discovery requests	RMW	2 00

---

Keep this copy for your records.

E ON U S LLC

Stoll Keenon Ogden PLLC  
Invoice No 596627

<u>Date</u>	<u>Description</u>	<u>Tkpr</u>	<u>Hours</u>
	<b>Total Services</b>		<b>\$60,663.50</b>

**Summary of Services**

<u>Init</u>	<u>Timekeeper</u>	<u>Hours</u>	<u>Rate</u>	<u>Value</u>
RMW	Watt, R M	21.80	350.00	7,630.00
LAT	Tully, L A	1.80	315.00	567.00
PFS	Slattery, P F	4.50	80.00	360.00
PCH	Harnice, P C	0.20	305.00	61.00
KRR	Riggs, Kendrick R.	79.90	350.00	27,965.00
WDC	Crosby III, W D	97.70	220.00	21,494.00
JLK	Kroh, Jennifer L.	7.50	75.00	562.50
MTH	Hurst, M T	8.80	230.00	2,024.00
	<b>Total Services</b>	<b>222.20</b>		<b>\$60,663.50</b>

**Disbursements**

<u>Date</u>	<u>Description</u>	<u>Tkpr</u>	<u>Amount</u>
07/10/08	Lexis Charges	WDC	\$76.47
07/28/08	Lexis Charges		\$229.48
08/01/08	Copies of previous rate cases PAYEE: Kentucky State Treasurer; REQUEST#: 142067; DATE: 8/1/2008.	KRR	\$49.00
08/07/08	Mileage to KPSC Frankfort VENDOR: Burris, Teresa L; INVOICE#: 80808; DATE: 8/8/2008		\$73.13
08/15/08	Duplicating Charges		\$2.24
08/15/08	Duplicating Charges		\$6.40
08/19/08	Duplicating Charges		\$16.56
08/19/08	8/19 travel to Frankfort VENDOR: Johnson, John C; INVOICE#: 082208; DATE: 8/22/2008	JCJ	\$73.13
08/25/08	1(785)575-6362; 1 Mins.	RMW	\$0.19
08/26/08	Duplicating Charges		\$47.52
08/26/08	Duplicating Charges		\$0.64
08/26/08	Duplicating Charges		\$11.76
08/26/08	1(859)258-3500; 1 Mins.	EKC	\$0.19
08/26/08	8/26 Frankfort 211 Sower Blvd. VENDOR: Devine, Adam L; INVOICE#: 082908; DATE: 8/29/2008	ALD	\$73.13
08/27/08	Duplicating Charges		\$0.80
08/27/08	Duplicating Charges		\$8.40
08/27/08	1(859)258-3500; 5 Mins	KRR	\$0.95
08/28/08	8/28 Frankfort/211 Sower Blvd. VENDOR: Devine, Adam L; INVOICE#: 082908; DATE: 8/29/2008	ALD	\$73.13
08/29/08	louisville, parking 8/27 VENDOR: Watt, Robert M; INVOICE#: 82908; DATE: 8/29/2008	RMW	\$89.90
	<b>Total Disbursements</b>		<b>\$833.02</b>

Keep this copy for your records.

E ON U S LLC

Stoll Keenon Ogden PLLC  
Invoice No 596627

**Summary of Disbursements**

<u>Disb Code</u>	<u>Description</u>	<u>Amt</u>
002	Duplicating Charges	\$94.32
005	Telephone Expense	\$1.33
041	Travel Expense	\$382.42
054	Lexis Charges	\$305.95
079	Outside Duplicating Charges	\$49.00
	<b>Total Disbursements</b>	<u>\$833.02</u>
TOTAL FEES & DISBURSEMENTS		\$61,496.52
LESS DISCOUNT		\$-6,066.35
<b>Total Current Charges This Matter</b>		<b>\$55,430.17</b>

**Outstanding Invoices**

<u>Date</u>	<u>Invoice No.</u>	<u>Billed Amount</u>	<u>Payment/Credits</u>	<u>Balance Due</u>
08/29/08	593812	\$ 103,486.16	\$ 0.00	\$ 103,486.16
<b>Total Outstanding Invoices This Matter</b>				<b>\$103,486.16</b>
<b>Total Amount Due This Matter</b>				<b>\$158,916.33</b>

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

(512) 458-4644

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

September 30, 2008

Mr. Rick Lovekamp  
E.ON U.S.  
Post Office Box 32010  
Louisville, Kentucky 40232

RECEIVED

OCT 15 2008

ACCOUNTS PAYABLE

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

Consulting Services:

Research, Analysis, and Testimony  
Preparation in Connection with Rate  
Cases before the Kentucky Public  
Service Commission Pursuant to E.ON  
U.S. Contract No. 25561. (For the  
Period; September 1, 2008 through  
September 30, 2008).

Professional Time:

William E. Avera	
34½ hours	\$ 13,800
Adrien M. McKenzie	
13½ hours	3,375

Total

\$ 17,175

PO25896

*Bruce H. Fairchild*

Bruce H. Fairchild

*James Ely*

10-14-08

Project  
122482 - 6440.62  
122483 - 2146.88  
122484 - 8587.50

# The Prime Group

## Invoice for Services Rendered

Invoice Date: September 2, 2008

Invoice Number 20089-2

RECEIVED  
SEP 08 2008

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

ACCOUNTS PAYABLE

Attn: Mr. Robert Conroy

47.5 hours of consulting work by Steve Seelye @ \$200.00/hr performed during July in providing assistance in preparing a retail rate case for E.ON. \$ 9,500.00

19.0 hours of consulting work by Paul Garcia @ \$150.00/hr performed during July in developing a cost of service study and in providing assistance in preparing a retail rate case for E.ON. \$ 2,850.00

Total due for July \$ 12,350.00

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

OK  
*[Signature]*  
9/4/08

Do# 25301  
Line 1 \$ 1,543.75  
Line 2 \$ 4,631.25  
Line 3 \$ 6,175.00  
12,350.00

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

INVOICE

Project: 047793

Date: September 25, 2008

E.ON U.S. Services Inc.  
Attn: Manager of Property Accounting  
220 West Main  
P.O. Box 32020  
Louisville, KY 40232

**GANNETT FLEMING, INC.**  
**VALUATION AND RATE DIVISION**

Send check payments to:  
Gannett Fleming Companies  
P.O. Box 029160  
Philadelphia, PA 19102-9160

P.O. BOX 07100  
HARRISBURG, PA 17106-7100  
(717) 763-7211

Send ACH/EFT payments to:  
ABA: 031312738  
Acct. No: 5003165665  
Acct. Name: Gannett Fleming Companies

Federal E.I.N. 251613591



Invoice: 047793\*08810

Invoice Period: July 5, 2008 through August 29, 2008

Contract No 19917 - Depreciation Study for Electric and Gas Utility Plants

Summary of Current Charges

Phase 100	- LG&E - DEPR STUDY - ELECTRIC	\$	3,012.29 ✓
Phase 300	- KY UTILITIES - DEPR STUDY		2,545.00 ✓
Total Charges			<u>\$ 5,557.29</u>
Total Due This Invoice .....			<u>\$5,557.29 ✓</u>

PO # 19917  
Release # 21  
Debbie Hillert  
10/9/08

RECEIVED

OCT 10 2008

ACCOUNTS PAYABLE

Project:	Task:	Exp Type:	Exp Org:	Amount
118321	REVRDEPRSTDYE	314	0210120	\$2,545.00
118326	REVRDEPRSTDYE	314	0210120	\$2,229.09
118326	REVRDEPRSTDYE	314	0210120	\$783.20

ok to pay J.L. Wrenn



**GANNETT FLEMING, INC.**  
**VALUATION AND RATE DIVISION**

Invoice Date: September 25, 2008

Invoice No: 047793\*08810

Project: 047793 E.ON U.S. Services Inc.

Phase 100 -- LG&E - Depr Study - Electric

<u>Labor Costs</u>			
<u>Labor Classification</u>	<u>Hours</u>	<u>Rate</u>	<u>Amount</u>
Associate Analyst	2.00	\$ 105.00 ✓	\$ 210.00 ✓
John J. Spanos	13.00	185.00 ✓	2,405.00 ✓
Support Staff	5.00	75.00 ✓	375.00 ✓
	<b>Total Labor Costs</b>		<b>\$ 2,990.00 ✓</b>
<u>Expenses</u>			
<u>Postage/Federal Express</u>			<u>\$ 22.29 ✓</u>
	<b>Total Expenses</b>		<b>22.29 ✓</b>
	<b>Total Phase -- 100</b>		<b>\$ 3,012.29 ✓</b>

Phase 300 -- KY Utilities - Depr Study

<u>Labor Costs</u>			
<u>Labor Classification</u>	<u>Hours</u>	<u>Rate</u>	<u>Amount</u>
Associate Analyst	2.00	\$ 105.00 ✓	\$ 210.00 ✓
John J. Spanos	11.00	185.00 ✓	2,035.00 ✓
Support Staff	4.00	75.00 ✓	300.00 ✓
	<b>Total Labor Costs</b>		<b>\$ 2,545.00 ✓</b>
	<b>Total Phase -- 300</b>		<b>\$ 2,545.00 ✓</b>

RECEIVED

OCT 1 0 2008

ACCOUNTS PAYABLE



<b>Invoice Number</b> 2-809-62792	<b>Invoice Date</b> Jul 14, 2008	<b>Account Number</b>	<b>Page</b> 6 of 47
--------------------------------------	-------------------------------------	-----------------------	------------------------

Picked up: JUL 10, 2008  
 Buyer: Shipper: [Redacted]  
 Cust Ref: 010-100350-047793.100 Ref: [Redacted]

- The Earned Discount for this ship date has been calculated based on a revenue threshold of \$90079
- Fuel Surcharge - FedEx has applied a fuel surcharge of 32.50% to this shipment.
- Distance Based Pricing, Zone 4

<b>Automation</b>	INET	<b>Sender</b>	<b>Recipient</b>	
<b>Tracking ID</b>	798976006157	Krista McCormick	Mr. Doug Lalchy	
<b>Service Type</b>	FedEx Priority Overnight	GANNETT FLEMING, INC	E.ON U.S. Services, Inc.	
<b>Package Type</b>	FedEx Envelope	209 SENATE AVENUE	220 W MAIN ST	
<b>Zone</b>	04	CAMP HILL PA 17011 US	LOUISVILLE KY 40202 US	
<b>Packages</b>	1			
<b>Rated Weight</b>	N/A	<b>Transportation Charge</b>		20.35
<b>Delivered</b>	Jul 11, 2008 10:26	<b>Earned Discount</b>		-1.02
<b>Svc Area</b>	A1	<b>Fuel Surcharge</b>		2.71
<b>Signed by</b>	P.BROWN	<b>Discount</b>		-10.50
<b>FedEx Use</b>	000000000/0000200/_	<b>Total Charge</b>	<b>USD</b>	\$11.06
<b>010-100350-047793.100 Reference Subtotal</b>			<b>USD</b>	<b>\$11.06</b>

Picked up: AUG 05, 2008  
 Buyer: Shipper: [Redacted]  
 Cust Ref: 010-100350-047793.100 Ref: [Redacted]

- Fuel Surcharge - FedEx has applied a fuel surcharge of 34.50% to this shipment.
- The Earned Discount for this ship date has been calculated based on a revenue threshold of \$9022.40
- Distance Based Pricing, Zone 4

<b>Automation</b>	INET	<b>Sender</b>	<b>Recipient</b>	
<b>Tracking ID</b>	791110431024	Krista McCormick	Mr. Tommy Eiry	
<b>Service Type</b>	FedEx Priority Overnight	GANNETT FLEMING, INC	E.ON U.S. Services, Inc.	
<b>Package Type</b>	FedEx Envelope	209 SENATE AVENUE	220 W MAIN ST	
<b>Zone</b>	04	CAMP HILL PA 17011 US	LOUISVILLE KY 40202 US	
<b>Packages</b>	1			
<b>Rated Weight</b>	N/A	<b>Transportation Charge</b>		20.35
<b>Delivered</b>	Aug 06, 2008 10:21	<b>Fuel Surcharge</b>		2.68
<b>Svc Area</b>	A1	<b>Discount</b>		-10.50
<b>Signed by</b>	J.WIMBELY	<b>Earned Discount</b>		-1.42
<b>FedEx Use</b>	000000000/0000200/_	<b>Total Charge</b>	<b>USD</b>	\$11.23
<b>010-100350-047793.100 Reference Subtotal</b>			<b>USD</b>	<b>\$11.23</b>

Total FedEx = \$22.29

RECEIVED

OCT 10 2008

ACCOUNTS PAYABLE

Central Office Supply  
Invoice # 15-OCT-2008 14:10 SERV

#171620	10,429 36
#171618	514 85
#171782	89.98
	<u>11,034 19</u>

LGE - Electric	4,137 82
LGE - Gas	1,379 28
KU	5,517.09
	<u>11,034 19</u>

---

Xerox Corp  
Invoice #104285822

OT Weekday	3,969 00
OT Weekend	576.00
	<u>4,545 00</u>

LGE - Electric	1,704 38
LGE - Gas	568.13
KU	2,272.49
	<u>4,545 00</u>

**Central Office Supply Co. Inc.**

1408 Bunton Road  
 P.O. Box 32339  
 Louisville, KY 40232  
 (502) 456-4080 FAX (502) 454-6972

	DATE	NUMBER
	09/08/08	171620-0

SALESMAN 122 TIME 07:08:46  
 WRITER 123 PAGE 1  
 PHONE 502-627-4344

CUSTOMER # 200529 DEPT  
 BILLING ADDRESS  
 XEROX CORPORATION

CHARGE INVOICE  
 PO #  
 SHIPPING ADDRESS  
 XEROX CORPORATION

120 WEST MAIN STREET  
 LOUISVILLE KY 40202

ITEM NBR.	CO.	DESCRIPTION	UNIT	ORDER QTY	B/O QTY	SHIP QTY	UNIT PRICE	EXTENDED
2770	FEL	FILE, LTR/LGL, RCY, CTN	CT	6		6	43.590 N	261.54
5976	ACC	COVER, REP, PSBRD, 11X8	EA	2000		2000	2.390 N	4780.00
5979	ACC	COVER, REP, PSBRD, 11X8	EA	2000		2000	2.390 N	4780.00
8555	TDK	DISC, CD-R52X, 100PK, 5	PK	5		5	39.990 N	199.95
1163	AVE	LABEL, ADRS, 2X4, 10/SH	BX	3		3	30.990 N	92.97
19941	FEL	LABEL, CD&DVD, MATTE, 1	PK	5		5	24.990 N	124.95
17050	QUA	ENVELOPE, CD/DVD, SLEE	BX	5		5	37.990 N	189.95

THANK YOU FOR YOUR ORDER!		SUB-TOTAL	10429.36
209 ATTN: RATES			
TERMS:		TOTAL	10429.36
Net 30 Days			

**Central Office Supply Co. Inc.**

108 Bunton Road  
 O. Box 32339  
 Louisville, KY 40232  
 (502) 456-4080 FAX (502) 454-6972

	DATE	NUMBER
	09/08/08	171618-0

CUSTOMER # 200529 DEPT  
~~BILLING ADDRESS~~  
 XEROX CORPORATION

CHARGE  
 INVOICE

SALESMAN 122 TIME 07:04:27  
 WRITER 102 PAGE 1  
 PHONE 502-627-4344  
 PO #  
~~SHIPPING ADDRESS~~  
 XEROX CORPORATION

20 WEST MAIN STREET  
 LOUISVILLE KY 40202

ITEM NBR.	CO.	DESCRIPTION	UNIT	ORDER QTY	B/O QTY	SHIP QTY	UNIT PRICE	UNIT D	EXTENDED
3555	TDK	DISC, CD-R52X, 100PK, S PK		5		5	39.990	N	199.95
3941	FEL	LABEL, CD&DVD, MATTE, 1 PK		5		5	24.990	N	124.95
7050	QUA	ENVELOPE, CD/DVD, SLEE BX		5		5	37.990	N	189.95

THANK YOU FOR YOUR ORDER!  
 949-2 LATONYA

SUB-TOTAL	514.85
-----------	--------

RMS: "Rodes"  
 t, 30 Days

TOTAL	514.85
-------	--------

Central Office Supply Co. Inc.  
 108 Bunton Road  
 O. Box 32339  
 Louisville, KY 40232  
 (502) 456-4080 FAX (502) 454-6972

	DATE	NUMBER
	09/12/08	171782-0

SALESMAN 122 TIME 07:20:33  
 WRITER 123 PAGE 1

CUSTOMER # 200529 DEPT

CHARGE  
 INVOICE

PHONE 502-627-4344  
 PO #

BILLING ADDRESS  
 XEROX CORPORATION

SHIPPING ADDRESS  
 XEROX CORPORATION

30 WEST MAIN STREET  
 LOUISVILLE KY 40202

ITEM NBR.	CO.	DESCRIPTION	UNIT	ORDER QTY	B/O QTY	SHIP QTY	UNIT PRICE	EXTENDED
2789		FEL FILE, QUIK, LTR/LGL, CT CT		2		2	44.990 N	89.98

THANK YOU FOR YOUR ORDER!

SUB-TOTAL 89.98

TERMS:  
 Net 30 Days

TOTAL 89.98



**XEROX**

**Customer Information**

Direct Inquiries and Correspondence To:  
 XEROX CAPITAL SERVICES, LLC  
 CUSTOMER BUSINESS CENTER  
 5500 PEARL STREET  
 ROSEMONT, IL 60018-5300

Telephone: 888-771-5225

www.xerox.com/eSupportCentre

Ship To  
 LOUISVILLE GAS AND  
 ELECTRIC CO  
 LG & E ENERGY SVCS  
 820 W BROADWAY  
 LOUISVILLE KY  
 40202

Remarks:

706775764  
 Customer No

Purchase Order No

X192145  
 Xerox Order No

Special Ref No

104238843  
 Invoice No

09/09/08  
 Date

09/09/08  
 Date Proc.

Tax

10/04/08  
 Invoice Date

GSA Contract No

Registration No

PAYABLE ON RECEIPT  
 Terms and Conditions of Payment

7022030  
 Master Order No

Bill Code

Bill to  
 LG & E ENERGY LLC

SUITE 1400  
 220 W MAIN ST  
 LOUISVILLE KY  
 40202

SP-30363  
 RECEIVED

**Invoice**

Reorder No	Description	Quantity Ordered	Quantity Shipped	Unit Price	Amount
XRC888880	15376.93 X 1			NO CHG	
XRC853430	OVERTIME WEEKDAY : 66.5*	1	1	2394.0000	
XRC888880	X 36			NO CHG	
XRC853430	OVERTIME WEEKEND : 62.5*	1	1	3000.0000	3,000.00
XRC888880	X 48			NO CHG	
<b>INVOICE TOTAL</b>					<b>\$5,394.00</b>

OCT 13 2008

ACCOUNTS PAYABLE

37.5% 122482 | LGE RATE CASE - E | 0301 | 2,022.75  
 12.5% 122483 | LGE RATE CASE G | | 674.25  
 50% 122484 | KU RATE CASE | | 2,697.00  
 \$ 5,394.00

*Karan Kapp*  
 for Monica Roman-Saunders  
 10-9-08

**DUPLICATE INVOICE**

TO ORDER SUPPLIES CALL TOLL FREE 1-800-822-2200

Please detach the payment portion and return with your remittance  
 Contact Customer Service Department for Change of Address

**Payment**

Ship To  
 LOUISVILLE GAS AND  
 ELECTRIC CO  
 LG & E ENERGY SVCS  
 820 W BROADWAY  
 LOUISVILLE KY  
 40202

Bill To  
 LG & E ENERGY LLC  
 SUITE 1400  
 220 W MAIN ST  
 LOUISVILLE KY  
 40202

Send Payment To  
 XEROX CORPORATION  
 P.O. BOX 650361  
 DALLAS, TX  
 75265-0361

For Xerox Use Only

PLEASE PAY THIS AMOUNT => \$5,394.00

00-495-2792	706775764	104238843	10/04/08
048 161110490 B		S449 1 LGE00	
T004342 99		PD PD PD PD PD X X	
202100008070060	104238843	539400	706775764

R50657



**KENTUCKY UTILITIES COMPANY**

**CASE NO. 2008-00251**

**CASE NO. 2007-00565**

**UPDATED Response to Second Data Request of Commission Staff  
Dated August 27, 2008**

**Updated Response filed November 26, 2008**

**Question No. 134**

**Responding Witness: S. Bradford Rives**

Q-134. Refer to Volume 1 of 4 of KU's response to Staff's first request at Item 4(a), page 3 of 3. Included on this list of long-term debt instruments are 8 issuances of variable rate "Pollution Control Bonds" for which this Commission has granted KU authority to refinance. The date of issue, outstanding balance, and cost rate to maturity for each of these issues is shown below.

Date	Outstanding	Cost
5/19/00	\$12,900,000	8.139186%
10/3/02	96,000,000	4.585525
10/20/04	50,000,000	6.188016
7/7/05	13,266,950	4.023412
11/17/05	13,266,950	4.025582
7/20/06	16,693,620	4.197927
12/7/06	16,693,620	2.554447
2/23/07	54,000,000	4.389154

a. For each issue shown above provide the following information:

(1) The anticipated date refinancing will be completed.

(2) The anticipated cost rate to maturity.

(3) Provide updates to this request as new information becomes available.

b. If the specific cost rates to maturity cannot be reasonable estimated at the time of this response, state whether the anticipated cost rates will general be higher or lower than those shown in the schedule above.

A-134. a. The attached file shows the anticipated refinancing date for each bond and the initial cost rate based on current market conditions. The actual rates will not be known until the refinancing transactions are completed since market rates change daily. None of these costs are expected to apply through

maturity since these are variable rate or limited term fixed rate bonds whose rates will reset periodically until maturity.

The rate to maturity for variable rate bonds or limited term fixed rate bonds cannot be known as the rates reset periodically until maturity. In general, as shown in the updated Attachment to 134a, current market conditions generally support an interest rate below the rates shown in the updated response to PSC-1 Question No. 43

**Kentucky Utilities - Tax Exempt Restructuring**

<u>Series</u>	<u>Amount</u>	<u>AMT Status</u>	<u>Restructuring Option</u>	<u>Anticipated Cost Rate at Issuance*</u>	<u>Anticipated Date Refinancing Completed</u>
Mercer 2000 A	\$ 12,900,000	AMT	Variable backed by L/C	3.43%	12/12/2008
Carroll 2002 C	\$ 96,000,000	Non-AMT	Put-Bond	5.20% - 5.75%	1/28/2009
Carroll 2004 A	\$ 50,000,000	AMT	Variable backed by L/C	3.43%	12/12/2008
Carroll 2005 A	\$ 13,266,950	AMT	Variable backed by L/C	3.43%	second step 12/19/2008
Carroll 2005 B	\$ 13,266,950	AMT	Variable backed by L/C	3.43%	second step 12/19/2008
Carroll 2006 A	\$ 16,693,620	AMT	Variable backed by L/C	3.43%	second step 12/19/2008
Carroll 2006 C	\$ 16,693,620	AMT	Variable backed by L/C	3.43%	second step 12/19/2008
Carroll 2006 B	\$ 54,000,000	AMT	Variable backed by L/C	3.43%	12/19/2008

**Notes**

\*Interest rate assumptions will vary depending upon market conditions at the time of issuance. The interest rate for the Put-Bond will change at the end of the term of the put to reflect market conditions at that time.

<u>Assumptions for Variable Backed by Letter of Credit</u>	
10-Year Avg. SIFMA (as of 10/16/08)	2.58%
LOC Spread Over SIFMA	0.05%
Remarketing Fee	0.10%
All-In Rate	2.73%
L/C Facility Fee	0.70%
AMT Rate	3.43%
Non-AMT Favorability	0.20%
Non-AMT Rate	3.23%

<u>Interest Rate Estimate</u>			
	<u>Put Bonds</u>		
	<u>2-Year</u>	<u>3-Year</u>	<u>5-Year</u>
Non-AMT	5.20%	5.38%	5.75%
AMT	5.95%	6.13%	6.50%

**KENTUCKY UTILITIES COMPANY**

**CASE NO. 2008-00251**

**CASE NO. 2007-00565**

**UPDATED Response to Third Data Request of Commission Staff  
Dated September 24, 2008**

**Updated Response filed November 26, 2008**

**Question No. 33**

**Responding Witness: Shannon L. Charnas**

Q-33. Refer to KU's response to Staffs Second Request, Item 114. Provide the monthly average per-gallon cost of fuel for September 2008. Also provide the monthly average per-gallon cost for October and November 2008 as those costs become available.

A-33. Monthly average per-gallon cost of fuel:

October 2008 \$2.93