



Stephanie L. Stumbo, Executive Director
Public Service Commission of Kentucky
211 Sower Boulevard
P. O. Box 615
Frankfort, Kentucky 40602

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**PUBLIC SERVICE
COMMISSION**

**Louisville Gas and
Electric Company**
State Regulation and Rates
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Louisville, Kentucky 40232
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Director - Rates
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November 26, 2008

**RE: APPLICATION OF LOUISVILLE GAS AND ELECTRIC
COMPANY FOR AN ADJUSTMENT OF ITS ELECTRIC AND GAS
BASE RATES - Case No. 2008-00252
(Updates to PSC-1 Question Nos. 43, 44, and 57; PSC-2 Question No.
106; and PSC-3 Question No. 28)**

**APPLICATION OF LOUISVILLE GAS AND ELECTRIC
COMPANY TO FILE DEPRECIATION STUDY - Case No. 2007-
00564**

Dear Ms. Stumbo:

On August 12, 2008, in the above-referenced proceeding, Louisville Gas and Electric Company ("LG&E") 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, LG&E hereby provides and 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

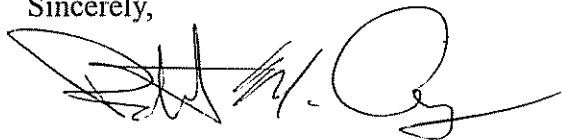
On September 11, 2008, in the above-referenced proceeding, LG&E filed responses to the Second Data Request of Commission Staff dated August 27, 2008. Pursuant to the directive of Question No. 106, LG&E hereby provides an original and ten (10) copies of the status of the refinancing transactions as of October 31, 2008.

On October 7, 2008, in the above-referenced proceeding, LG&E filed responses to the Third Data Request of Commission Staff dated September 24, 2008. Pursuant to the directive of Question No. 28, LG&E 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

Counsel of Record

Allyson K. Sturgeon, Senior Corporate Attorney – E.ON U.S. LLC
Robert M. Watt – Stoll Keenon Ogden PLLC (Louisville Gas and Electric)
Kendrick R. Riggs – Stoll Keenon Ogden PLLC (Louisville Gas and Electric)
W. Duncan Crosby – Stoll Keenon Ogden PLLC (Louisville Gas and Electric)
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)
Lisa Kilkelly – Legal Aid Society, Inc. (ACM and POWER)
David C. Brown – Stites and Harbison (Kroger)
Joe F. Childers – Getty & Childers PLLC (CAK)

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 – Snavelly 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

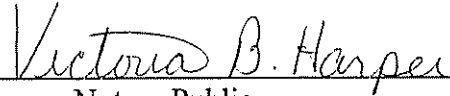
STATE OF KENTUCKY)
) SS:
COUNTY OF JEFFERSON)

The undersigned, **S. Bradford Rives**, being duly sworn, deposes and says that he is the Chief Financial Officer, for Louisville Gas and Electric 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 25th 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 Louisville Gas and Electric 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 25th day of November, 2008.

 (SEAL)
Notary Public

My Commission Expires:

Sept 20, 2010

LOUISVILLE GAS AND ELECTRIC COMPANY

CASE NO. 2008-00252

**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.

LOUISVILLE GAS AND ELECTRIC COMPANY

Capitalization at April 30, 2008
Revised Investments in OVEC and Other (Col 4 Page 2 of 2)
With Annual Cost Rate as of October 31, 2008

	(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)	(11)
	Per Books 04-30-08	Capital Structure	Reacquired Bonds (not retired)	Adjusted Total Company Capitalization (Col 1 + Col 3)	Rate Base Percentage (Exhibit 3 Line 21)	Capitalization (Col 4 + Col 5)	Adjustments to Capitalization (Col 7, 12, 2)	Adjusted Capitalization (Col 6 + Col 7)	Adjusted Capital Structure	Annual Cost Rate October 31, 2008 (10)	Cost of Capital (Col 10 x Col 9) (11)
ELECTRIC											
1. Short Term Debt	\$ 158,075,200	7.25%	\$ (106,200,000)	\$ 51,875,200	79.94%	\$ 41,469,035	\$ 974,469	\$ 42,443,504	2.38%	4.95%	0.12%
2. Long Term Debt	878,104,000	40.27%	106,200,000	984,304,000	79.94%	786,852,618	18,482,168	805,334,786	45.14%	4.37%	1.97%
3. Common Equity	1,144,296,135	52.48%	.	1,144,296,135	79.94%	914,750,330	21,487,466	936,237,796	52.48%	11.25%	5.90%
4. Total Capitalization	\$ 2,180,475,335	100.00%	\$ -	\$ 2,180,475,335		\$ 1,743,071,983	\$ 40,944,103	\$ 1,784,016,086	100.00%		7.99%
GAS											
1. Short Term Debt	\$ 158,075,200	7.25%	\$ (106,200,000)	\$ 51,875,200	19.47%	\$ 10,100,101	\$ 36,043	\$ 10,126,144	2.38%	4.95%	0.12%
2. Long Term Debt	878,104,000	40.27%	106,200,000	984,304,000	19.47%	191,643,989	493,947	192,137,936	45.14%	4.37%	1.97%
3. Common Equity	1,144,296,135	52.48%	.	1,144,296,135	19.47%	222,794,457	574,265	223,368,722	52.48%	11.25%	5.90%
4. Total Capitalization	\$ 2,180,475,335	100.00%	\$ -	\$ 2,180,475,335		\$ 424,538,547	\$ 1,094,255	\$ 425,632,802	100.00%		7.99%

NOTES:
Column 10 used October 31, 2008 actual embedded cost rates.

LOUISVILLE GAS AND ELECTRIC COMPANY

Capitalization at April 30, 2008
Revised Investments in OVEC and Other (Col 4 Page 2 of 2)
With Annual Cost Rate as of October 31, 2008

	Capitalization (Col 6, Pg 1) (1)	Capital Structure (2)	Trimble County Inventories (a) (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)	Advanced Coal Investment Tax Credit (Col 2 x Col 6 Line 4) (6)	Total Adjustments To Capital (7)
<u>ELECTRIC</u>							
1. Short Term Debt	\$ 41,469,035	2.38%	\$ (82,121)	\$ (14,427)	\$ 754,962	316,055	\$ 974,469
2. Long Term Debt	786,852,618	45.14%	(1,557,532)	(273,623)	14,318,900	5,994,423	18,482,168
3. Common Equity	914,750,330	52.48%	(1,810,795)	(318,116)	16,647,229	6,969,148	21,487,466
4. Total Capitalization	<u>\$ 1,743,071,983</u>	<u>100.00%</u>	<u>\$ (3,450,448)</u>	<u>\$ (606,166)</u>	<u>\$ 31,721,091</u>	<u>\$ 13,279,626</u>	<u>\$ 40,944,103</u>

<u>GAS</u>							
1. Short Term Debt	\$ 10,100,101	2.38%	\$ -	\$ -	\$ 26,043	\$ -	\$ 26,043
2. Long Term Debt	191,643,989	45.14%	-	-	493,947	-	493,947
3. Common Equity	222,794,457	52.48%	-	-	574,265	-	574,265
4. Total Capitalization	<u>\$ 424,538,547</u>	<u>100.00%</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 1,094,255</u>	<u>\$ -</u>	<u>\$ 1,094,255</u>

(a) Trimble County Inventories @ April 30, 2008	
Stores	\$ 4,495,274
Stores Expense	763,517
Coal	8,126,704
Limestone	71,816
Fuel Oil	342,278
Emission Allowances	2,203
Total Trimble County Inventories	<u>\$ 13,801,792</u>
Multiplied by Disallowed Portion	25.00%
Trimble County Inv. Disallowed	<u>\$ 3,450,448</u>

LOUISVILLE GAS AND ELECTRIC COMPANY
ANALYSIS OF THE EMBEDDED COST OF CAPITAL AT
October 31, 2008

<u>LONG-TERM DEBT</u>									
	Due	Rate	Principal	Interest	Annualized Cost			Total	Embedded Cost
					Amortized Debt Issuance Expense	Premium	Amortized Loss- Reacquired Debt		
Pollution Control Bonds -									
Series Y - 2000 A JC	05/01/27	3.2500%	25,000,000	812,500	-	-	105,925	918,425	3.67
Series Z - 2000 A TC	08/01/30	3.0910%	83,335,000	2,575,885	38,357	-	143,700	2,757,942	3.31
Series AA - 2001 A JC	09/01/27	2.4010%	10,104,000	242,597	10,992	-	-	262,589	2.60
Series BB - 2001 A JC	09/01/26	1.7000%	22,500,000	382,500	9,876	-	77,424	469,800	2.09
Series CC - 2001 A TC	09/01/26	1.7000%	27,500,000	467,500	10,740	-	65,400	543,640	1.98
Series DD - 2001 B JC	11/01/27	1.7500%	35,000,000	612,500	10,944	-	49,056	672,500	1.92
Series EE - 2001 B TC	11/01/27	1.7500%	35,000,000	612,500	10,944	-	48,864	672,308	1.92
Series FF - 2002 A TC	10/01/32	3.4130%	41,665,000	1,422,026	36,908	-	55,812	1,514,746	3.64
Series GG - 2003 A JC	10/01/33	3.2500%	128,000,000	4,160,000	-	-	311,184	4,471,184	3.49
Series HH - 2005 A JC	02/01/35	1.6000%	40,000,000	640,000	-	-	84,612	724,612	1.81
JC2007A \$31M	06/01/33	2.7500%	31,000,000	852,500	-	-	30,613	883,113	2.85
JC2007B \$35.2M	06/01/33	2.7500%	35,200,000	968,000	-	-	26,991	994,991	2.83
JC2007A \$60M	06/01/33	4.6000%	60,000,000	2,760,000	47,192	-	8,567	2,813,759	4.69
Called Bonds			-	-	-	-	263,196	263,196	-
Total External Debt			574,304,000	16,508,508	184,953	-	1,269,344	17,962,805	1.78%
Interest Rate Swaps:									
JP Morgan Chase Bank	11/01/20	1		1,352,507	-	-	-	1,352,507	
Morgan Stanley Capital Services	10/01/33	1		357,837	-	-	-	357,837	
Morgan Stanley Capital Services	10/01/33	1		353,741	-	-	-	353,741	
Bank of America	10/01/33	1		370,807	-	-	-	370,807	
Wachovia	10/01/33	1		276,941	-	-	-	276,941	
Interest Rate Swaps External Debt				2,711,833	-	-	-	2,711,833	0.27%
Notes Payable to Fidelia Corp.	04/30/13	4.55%	100,000,000	4,550,000	-	-	-	4,550,000	4.55
Notes Payable to Fidelia Corp.	08/15/13	5.31%	100,000,000	5,310,000	-	-	-	5,310,000	5.31
Notes Payable to Fidelia Corp.	01/16/12	4.33%	25,000,000	1,082,500	-	-	-	1,082,500	4.33
Notes Payable to Fidelia Corp.	04/13/37	5.98%	70,000,000	4,186,000	-	-	-	4,186,000	5.98
Notes Payable to Fidelia Corp.	04/13/31	5.93%	68,000,000	4,032,400	-	-	-	4,032,400	5.93
Notes Payable to Fidelia Corp.	11/26/22	5.72%	47,000,000	2,688,400	-	-	-	2,688,400	5.72
Notes Payable to Fidelia Corp.	07/25/18	6.21%	25,000,000	1,552,500	-	-	-	1,552,500	6.21
Mandatorily Redeemable Preferred Stock:									
\$5.875 Series	07/15/08	5.8750%	-	-	-	-	4,437	4,437	0
Total Internal Debt			435,000,000	23,401,800	-	-	4,437	23,406,237	2.32%
Total			1,009,304,000	42,622,141	184,953	0.00	1,273,781	44,080,875	4.37%

<u>SHORT TERM DEBT</u>								
	Rate	Principal	Interest	Annualized Cost			Total	Embedded Cost
				Expense	Premium	Loss		
Notes Payable to Associated Company	4.950%	359,919,200	17,816,000	-	-	-	17,816,000	4.95
Reacquired Bonds	4.950%	(259,200,000)	(12,830,400)	-	-	-	(12,830,400)	4.95
Total		100,719,200	4,985,600	-	-	-	4,985,600	4.95%

Embedded Cost of Total Debt 49,066,475 4.42%

Component of Embedded Cost of Capital

1. Additional interest due to Swap Agreements:

Underlying Debt Being Hedged	National Amount	Expiration of Swap Agreement	Fixed LG&E Swap Position	Variable Counterparty Swap Position
Series Z - PCB	83,335,000	11/01/20	To Pay: 5.495%	BMA Index
Series GG - PCB	32,000,000	10/01/32	To Pay: 3.657%	88% of 1 mo LIBOR
Series GG - PCB	32,000,000	10/01/32	To Pay: 3.645%	88% of 1 mo LIBOR
Series GG - PCB	32,000,000	10/01/32	To Pay: 3.695%	88% of 1 mo LIBOR
Series GG - PCB	32,000,000	10/01/32	To Pay: 3.648%	88% of 1 mo LIBOR
	<u>211,335,000</u>			

2. Call premium and debt expense is being amortized over the remaining life of bonds due 10/1/09, 6/1/15, 7/1/13 and 8/1/17

3. Reacquired bonds.

LOUISVILLE GAS AND ELECTRIC COMPANY

CASE NO. 2008-00252

**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.

LOUISVILLE GAS AND ELECTRIC COMPANY

Income Statements

October 31, 2008

Louisville Gas and Electric Company
Comparative Statement of Income
October 31, 2008

	Current Month			
	This Year Amount	Last Year Amount	Increase or Decrease Amount	%
Electric Operating Revenues.....	86,455,806.68	70,611,979.35	15,843,827.33	22.44
Gas Operating Revenues.....	31,916,119.18	17,472,269.50	14,443,849.68	82.67
Total Operating Revenues.....	118,371,925.86	88,084,248.85	30,287,677.01	34.38
Fuel for Electric Generation.....	25,692,187.38	23,481,008.81	2,211,178.57	9.42
Power Purchased.....	15,296,448.12	7,434,377.06	7,862,071.06	105.75
Gas Supply Expenses.....	24,954,697.64	11,383,772.35	13,570,925.29	119.21
Other Operation Expenses.....	18,862,427.92	13,965,506.36	4,896,921.56	35.06
Maintenance.....	8,900,733.23	7,734,288.09	1,166,445.14	15.08
Depreciation.....	10,350,534.03	10,588,169.72	(237,635.69)	(2.24)
Amortization Expense.....	523,556.02	472,509.89	51,046.13	10.80
Regulatory Credits.....	(174,959.43)	(163,026.95)	(11,932.48)	7.32
Taxes				
Federal Income.....	3,150,246.69	2,738,951.81	411,294.88	15.02
State Income.....	600,046.98	521,705.10	78,341.88	15.02
Deferred Federal Income - Net.....	-	-	-	-
Deferred State Income - Net.....	-	-	-	-
Property and Other.....	2,022,468.74	2,132,090.24	(109,621.50)	(5.14)
Investment Tax Credit.....	-	-	-	-
Amortization of Investment Tax Credit.....	(281,527.23)	(329,198.00)	47,670.77	(14.48)
Loss (Gain) from Disposition of Allowances.....	-	-	-	-
Accretion Expense.....	160,204.81	148,341.13	11,863.68	8.00
Total Operating Expenses.....	110,057,064.90	80,108,495.61	29,948,569.29	37.39
Net Operating Income.....	8,314,860.96	7,975,753.24	339,107.72	4.25
Other Income Less Deductions.....	(2,391,144.18)	(826,738.39)	(1,564,405.79)	189.23
Income Before Interest Charges.....	5,923,716.78	7,149,014.85	(1,225,298.07)	(17.14)
Interest on Long-term Debt.....	2,948,120.86	3,752,474.00	(804,353.14)	(21.44)
Amortization of Debt Expense - Net.....	121,561.29	120,453.73	1,107.56	0.92
Other Interest Expenses.....	2,285,577.27	488,404.07	1,797,173.20	367.97
Total Interest Charges.....	5,355,259.42	4,361,331.80	993,927.62	22.79
Net Income.....	568,457.36	2,787,683.05	(2,219,225.69)	(79.61)

Louisville Gas and Electric Company
Comparative Statement of Income
October 31, 2008

	Year to Date			
	This Year	Last Year	Increase or Decrease	
	Amount	Amount	Amount	%
Electric Operating Revenues.....	833,964,446.08	788,616,970.67	45,347,475.41	5.75
Gas Operating Revenues.....	331,123,296.09	257,077,947.55	74,045,348.54	28.80
Total Operating Revenues.....	1,165,087,742.17	1,045,694,918.22	119,392,823.95	11.42
Fuel for Electric Generation.....	282,058,849.17	267,932,445.96	14,126,403.21	5.27
Power Purchased.....	88,395,389.41	66,883,322.36	21,512,067.05	32.16
Gas Supply Expenses.....	252,520,172.57	182,539,158.45	69,981,014.12	38.34
Other Operation Expenses.....	163,845,896.67	142,447,146.22	21,398,750.45	15.02
Maintenance.....	96,099,644.12	64,701,622.16	31,398,021.96	48.53
Depreciation.....	100,966,184.18	99,433,672.94	1,532,511.24	1.54
Amortization Expense.....	4,826,609.71	5,227,638.69	(401,028.98)	(7.67)
Regulatory Credits.....	(1,714,292.68)	(1,614,690.14)	(99,602.54)	6.17
Taxes				
Federal Income.....	22,496,221.88	35,963,840.31	(13,467,618.43)	(37.45)
State Income.....	923,162.94	8,032,142.82	(7,108,979.88)	(88.51)
Deferred Federal Income - Net.....	9,715,363.07	2,628,383.92	7,086,979.15	269.63
Deferred State Income - Net.....	1,309,804.01	707,739.94	602,064.07	85.07
Property and Other.....	20,716,141.86	19,081,283.55	1,634,858.31	8.57
Investment Tax Credit.....	6,167,028.00	8,779,626.00	(2,612,598.00)	(29.76)
Amortization of Investment Tax Credit.....	(3,225,766.71)	(3,298,685.85)	72,919.14	(2.21)
Loss (Gain) from Disposition of Allowances.....	(456,254.88)	(553,092.69)	96,837.81	(17.51)
Accretion Expense.....	1,566,749.34	1,484,235.10	82,514.24	5.56
Total Operating Expenses.....	1,046,210,902.66	900,375,789.74	145,835,112.92	16.20
Net Operating Income.....	118,876,839.51	145,319,128.48	(26,442,288.97)	(18.20)
Other Income Less Deductions.....	(411,134.12)	(1,003,680.52)	592,546.40	(59.04)
Income Before Interest Charges.....	118,465,705.39	144,315,447.96	(25,849,742.57)	(17.91)
Interest on Long-term Debt.....	36,896,325.49	36,823,124.13	73,201.36	0.20
Amortization of Debt Expense - Net.....	1,211,424.95	1,195,132.41	16,292.54	1.36
Other Interest Expenses.....	6,906,955.94	2,970,841.59	3,936,114.35	132.49
Total Interest Charges.....	45,014,706.38	40,989,098.13	4,025,608.25	9.82
Net Income.....	73,450,999.01	103,326,349.83	(29,875,350.82)	(28.91)
Preferred Dividend Requirements.....	-	941,636.24	(941,636.24)	(100.00)
Earnings Available for Common.....	73,450,999.01	102,384,713.59	(28,933,714.58)	(28.26)

Louisville Gas and Electric 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.....	977,803,042.68	954,517,881.39	23,285,161.29	2.44
Gas Operating Revenues.....	426,727,077.57	340,052,072.36	86,675,005.21	25.49
Total Operating Revenues.....	1,404,530,120.25	1,294,569,953.75	109,960,166.50	8.49
Fuel for Electric Generation.....	331,389,964.38	316,420,031.29	14,969,933.09	4.73
Power Purchased.....	103,849,115.16	90,266,914.52	13,582,200.64	15.05
Gas Supply Expenses.....	323,573,233.25	242,185,417.81	81,387,815.44	33.61
Other Operation Expenses.....	194,551,406.64	177,595,199.32	16,956,207.32	9.55
Maintenance.....	113,940,014.81	80,034,293.48	33,905,721.33	42.36
Depreciation.....	121,105,575.91	119,559,093.38	1,546,482.53	1.29
Amortization Expense.....	5,798,933.25	6,189,631.68	(390,698.43)	(6.31)
Regulatory Credits.....	(2,040,346.58)	(2,352,437.61)	312,091.03	(13.27)
Taxes				
Federal Income.....	21,156,966.56	49,710,472.54	(28,553,505.98)	(57.44)
State Income.....	511,528.65	9,998,228.20	(9,486,699.55)	(94.88)
Deferred Federal Income - Net.....	16,562,850.08	(2,080,921.61)	18,643,771.69	(895.94)
Deferred State Income - Net.....	2,102,217.53	(52,377.18)	2,154,594.71	(4,113.61)
Property and Other.....	23,531,521.79	22,998,813.00	532,708.79	2.32
Investment Tax Credit.....	6,367,028.00	11,779,626.00	(5,412,598.00)	(45.95)
Amortization of Investment Tax Credit.....	(3,877,981.80)	(3,957,584.12)	79,602.32	(2.01)
Loss (Gain) from Disposition of Allowances.....	(456,254.88)	(553,092.69)	96,837.81	(17.51)
Accretion Expense.....	1,863,431.60	2,165,392.19	(301,960.59)	(13.94)
Total Operating Expenses.....	1,259,929,204.35	1,119,906,700.20	140,022,504.15	12.50
Net Operating Income.....	144,600,915.90	174,663,253.55	(30,062,337.65)	(17.21)
Other Income Less Deductions.....	(212,286.17)	(1,855,478.32)	1,643,192.15	(88.56)
Income Before Interest Charges.....	144,388,629.73	172,807,775.23	(28,419,145.50)	(16.45)
Interest on Long-term Debt.....	44,492,745.75	42,550,838.24	1,941,907.51	4.56
Amortization of Debt Expense - Net.....	1,452,766.11	1,433,512.47	19,253.64	1.34
Other Interest Expenses.....	7,935,103.47	3,733,286.81	4,201,816.66	112.55
Total Interest Charges.....	53,880,615.33	47,717,637.52	6,162,977.81	12.92
Net Income.....	90,508,014.40	125,090,137.71	(34,582,123.31)	(27.65)
Preferred Dividend Requirements.....	-	1,545,864.15	(1,545,864.15)	(100.00)
Earnings Available for Common.....	90,508,014.40	123,544,273.56	(33,036,259.16)	(26.74)

LOUISVILLE GAS AND ELECTRIC COMPANY

CASE NO. 2008-00252

**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.

LOUISVILLE GAS AND ELECTRIC COMPANY

CASE NO. 2008-00252

Schedule of Rate Case Preparation Costs

Response to Commission's Order

Dated July 16, 2008

Question No. 57c

Responding Witness: Shannon L. Charnas

Date	Journal #/ Voucher #/ Check #	Vendor #	Vendor Name	Hours	Rate/Hr	Amount	Description	Account
29-Aug-08	593812	40033	STOLL KEENON OGDEN PLLC	159.83	242.81	38,807.31	PROFESSIONAL SERVICES	0100.303.008930.026900.186021.0000.0321.0000
29-Sep-08	596627	40033	STOLL KEENON OGDEN PLLC	83.33	249.46	20,786.31	PROFESSIONAL SERVICES	0100.303.008930.026900.186021.0000.0321.0000
			SUBTOTAL LEGAL OUTSIDE COUNSEL LG&E ELECTRIC			59,593.62		
			TOTAL LEGAL OUTSIDE COUNSEL LG&E ELECTRIC @ 9/30/08			43,826.74		
			TOTAL LEGAL OUTSIDE COUNSEL LG&E ELECTRIC			103,420.36		
30-Sep-08	FINANC093008	68792	FINANCIAL CONCEPTS AND APPLICATIONS INC	14.25	451.97	6,440.62	Consultant fees for services provided by Financial Concepts	0100.303.008960.021440.186021.0000.0301.0000
2-Sep-08	200892	19025	THE PRIME GROUP LLC	24.94	185.71	4,611.25	LGE Rate Case-Electric	0100.303.008960.021440.186021.0000.0305.0000
25-Sep-08	04779308810	59107	GANNETT FLEMING INC	14.80	150.61	2,229.09	Depreciation Study	0100.303.008990.026120.183021.0000.0314.0000
			SUBTOTAL CONSULTANTS LG&E ELECTRIC			13,300.96		
			TOTAL CONSULTANTS LG&E ELECTRIC @ 9/30/08			54,460.86		
			TOTAL CONSULTANTS LG&E ELECTRIC			67,761.82		
15-Oct-08	15-OCT-2008 14:10 SERV	57511	CENTRAL OFFICE SUPPLY			4,137.82	Office supplies	0100.303.008960.021440.186021.0000.0410.0000
8-Oct-08	104285822	24102	XEROX CORP			1,704.38	Copies	0100.303.008960.025510.186021.0000.0301.0000
4-Oct-08	104238843	24102	XEROX CORP			2,022.75	Copies	0100.303.008960.025510.186021.0000.0301.0000
			SUBTOTAL SUPPLIES/SERVICES - OTHER LG&E ELECTRIC			7,864.95		
			TOTAL SUPPLIES/SERVICES - OTHER LG&E ELECTRIC @ 9/30/08			360,668.53		
			TOTAL SUPPLIES/SERVICES - OTHER LG&E ELECTRIC			368,533.48		
			TOTAL LG&E ELECTRIC			539,715.66		

LOUISVILLE GAS AND ELECTRIC COMPANY

CASE NO. 2008-00252

Schedule of Rate Case Preparation Costs

Response to Commission's Order

Dated July 16, 2008

Question No. 57c

Responding Witness: Shannon L. Charnas

Date	Journal #/ Voucher #/ Check #	Vendor #	Vendor Name	Hours	Rate/Hr	Amount	Description	Account
29-Aug-08	593812	40033	STOLL KEENON OGDEN PLLC	53.27	242.81	12,935.77	PROFESSIONAL SERVICES	0100.503.008930.026900.186022.0000.0321.0000
29-Sep-08	596627	40033	STOLL KEENON OGDEN PLLC	27.77	249.46	6,928.78	PROFESSIONAL SERVICES	0100.503.008930.026900.186022.0000.0321.0000
			SUBTOTAL LEGAL OUTSIDE COUNSEL LG&E GAS			19,864.55		
			TOTAL LEGAL OUTSIDE COUNSEL LG&E GAS @ 9/30/08			14,608.91		
			TOTAL LEGAL OUTSIDE COUNSEL LG&E GAS			34,473.46		
30-Sep-08	FINANC093008	68792	FINANCIAL CONCEPTS AND APPLICATIONS INC	4.75	451.97	2,146.88	Consultant fees for services provided by Financial Concepts	0100.503.008960.021440.186022.0000.0301.0000
2-Sep-08	200892	19025	THE PRIME GROUP LLC	8.31	185.71	1,543.75	LGE Rate Case-Gas	0100.503.008960.021440.186022.0000.0305.0000
25-Sep-08	04779308810	59107	GANNETT FLEMING INC	5.20	150.61	783.20	Depreciation Study	0100.503.008990.026120.183022.0000.0314.0000
			SUBTOTAL CONSULTANTS LG&E GAS			4,473.83		
			TOTAL CONSULTANTS LG&E GAS @ 9/30/08			18,153.64		
			TOTAL CONSULTANTS LG&E GAS			22,627.47		
15-Oct-08	15-OCT-2008 14:10 SERV	57511	CENTRAL OFFICE SUPPLY			1,379.28	Office supplies	0100.503.008960.021440.186022.0000.0410.0000
8-Oct-08	104285822	24102	XEROX CORP			568.13	Copies	0100.503.008960.025510.186022.0000.0301.0000
4-Oct-08	104238843	24102	XEROX CORP			674.25	Copies	0100.503.008960.025510.186022.0000.0301.0000
			SUBTOTAL SUPPLIES/SERVICES LG&E GAS			2,621.66		
			TOTAL SUPPLIES/SERVICES LG&E GAS @ 9/30/08			120,501.80		
			TOTAL SUPPLIES/SERVICES - OTHER LG&E GAS			123,123.46		
			TOTAL LG&E GAS			180,224.39		
			TOTAL RATE CASE EXPENSES @ 10/31/2008			719,940.05		

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
Total Current Charges This Matter	\$ 103,486.16

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
				<hr/>
				103,486.16

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

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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

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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 testimony; 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

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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

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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

Total Services

\$114,538.50

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
	Total Services	426.20		\$ 114,538.50

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

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E.ON U.S. LLC

Stoll Keenon Ogden PLLC
Invoice No. 593812

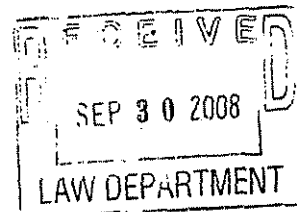
07/21/08	VENDOR: Watt, Robert M; INVOICE#: 71808; DATE: 7/18/2008 Parking at LG&E Garage for meeting	KRR	\$5.00
07/22/08	VENDOR: Riggs, Kendrick R; INVOICE#: 73108; DATE: 7/30/2008 1(512)458-4644; 1 Mins.	RMW	\$0.19
07/22/08	1(512)458-4644; 1 Mins.	RMW	\$0.19
07/29/08	Duplicating Charges		\$56.16
07/29/08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

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
	Total Disbursements	\$401.51

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

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
Total Current Charges This Matter	\$ 55,430.17

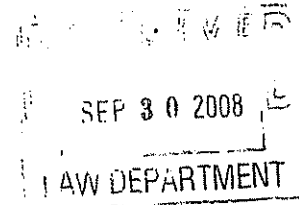
123395	KU RATE CASE	0321	026900 =	27,715.08
123396	LGE RATE CASE-E	0321	026900 =	20,786.31
123400	LGE RATE CASE-G	0321	026900 =	6,928.78
				<u>55,430.17</u>

Prepared by (see attached for approval):

KLW
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
Total Current Charges This Matter	\$ 55,430 17
Balance as of August 29, 2008	\$103,486 16
Less payments on prior billings	\$0 00
Balance due on prior billings	\$103,486 16
Total Amount Due This Matter	\$158,916 33

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 response 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

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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

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E.ON U.S. LLC

Stoll Keenon Ogden PLLC
Invoice No. 596627

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

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
Total Services		222.20		\$60,663.50

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
Total Disbursements			\$833.02

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
	Total Disbursements	\$833.02
TOTAL FEES & DISBURSEMENTS		\$61,496.52
LESS DISCOUNT		-\$6,066.35
Total Current Charges This Matter		\$55,430.17

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
Total Outstanding Invoices This Matter				\$103,486.16
Total Amount Due This Matter				\$158,916.33

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

(512) 458-4644

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

September 30, 2008

RECEIVED

OCT 15 2008

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

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

Jammy 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

ACCOUNTS PAYABLE

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

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
D.J. Mc Coy
9/4/08
Po# 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 829160
 Philadelphia, PA 19182-9160

P.O. BOX 87100
 HARRISBURG, PA 17106-7100
 (717) 763-7211

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

Federal E.I.N. 251613591

Invoice: 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		\$ 5,557.29
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	REVR DEPR STUDY	314	0210120	\$2,545.00
118326	REVR DEPR STUDY	314	0210120	\$2,229.09
118326	REVR DEPR STUDY	314	0210120	\$183.20

ok to pay J.L. Wherman

Project Manager: John J. Spanos

GANNETT FLEMING, INC.
VALUATION AND RATE DIVISION

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

Invoice Date: September 25, 2008

Invoice No: 047793*08810

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 ✓
Total Labor Costs			\$ 2,990.00 ✓
Expenses			
Postage/Federal Express			\$ 22.20 ✓
Total Expenses			22.20 ✓
Total Phase -- 100			\$ 3,012.20 ✓

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 ✓
Total Labor Costs			\$ 2,545.00 ✓
Total Phase -- 300			\$ 2,545.00 ✓

RECEIVED

OCT 10 2008

ACCOUNTS PAYABLE



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

Picked up: Jul 10, 2008 10:26 AM
 Payer: Shipper
 Customer: 010-100350-047793-100
 Ref #2

- The Earned Discount for this ship date has been calculated based on a revenue threshold of \$1800.79
- Fuel Surcharge - FedEx has applied a fuel surcharge of 32.50% to this shipment.
- Distance Based Pricing, Zone 4

Automation	INET	Sender	Recipient
Tracking ID	79097600157	Krista McCormick	Mr. Doug Loichy
Service Type	FedEx Priority Overnight	GANNETT FLEMING, INC	E.ON U.S. Services, Inc.
Package Type	FedEx Envelope	209 SENATE AVENUE	220 W MAIN ST
Zone	04	CAMP HILL PA 17011 US	LOUISVILLE KY 40202 US
Packages	1		
Rated Weight	N/A	Transportation Charge	20.35
Delivered	Jul 11, 2008 10:26	Earned Discount	-1.02
Svc Area	A1	Fuel Surcharge	2.71
Signed by	P.DROWN	Discount	-10.50
FedEx Use	00000000/0000200/...	Total Charge	USD \$11.06

010-100350-047793-100 Reference Subtotal USD \$11.06

Picked up: Aug 05, 2008 10:31 AM
 Payer: Shipper
 Customer: 010-100350-047793-100
 Ref #2

- 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 \$902.45
- Distance Based Pricing, Zone 4

Automation	INET	Sender	Recipient
Tracking ID	791116431024	Krista McCormick	Mr. Tammy Elzy
Service Type	FedEx Priority Overnight	GANNETT FLEMING, INC	E.ON U.S. Services, Inc.
Package Type	FedEx Envelope	209 SENATE AVENUE	220 W MAIN ST
Zone	04	CAMP HILL PA 17011 US	LOUISVILLE KY 40202 US
Packages	1		
Rated Weight	N/A	Transportation Charge	20.35
Delivered	Aug 05, 2008 10:31	Fuel Surcharge	2.08
Svc Area	A1	Discount	-10.50
Signed by	J.WIMBELY	Earned Discount	-1.42
FedEx Use	00000000/0000200/...	Total Charge	USD \$11.23

010-100350-047793-100 Reference Subtotal USD \$11.23

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
 PO #

CUSTOMER # 200529 DEPT
 BILLING ADDRESS
 XEROX CORPORATION

CHARGE
 INVOICE

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
2770		FEL FILE, LTR/LBL, 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, S 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
 P. 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

30 WEST MAIN STREET
 LOUISVILLE KY 40202

ITEM NBR.	CO.	DESCRIPTION	UNIT	ORDER QTY	B/O QTY	SHIP QTY	UNIT PRICE	D T	EXTENDED
3555		TDK DISC, CD-R52X, 100PK, 5 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: "Rates"
 t, 30 Days

TOTAL 514.85

Central Office Supply Co. Inc.

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

	DATE	NUMBER
	09/12/08	171782-0

CUSTOMER # 200529 DEPT
 BILLING ADDRESS
 XEROX CORPORATION

CHARGE
 INVOICE

SALESMAN 122 TIME 07:20:33
 WRITER 123 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	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

Customer Information

XEROX CAPITAL SVCS 1074
 8TH FLOOR
 3322 WEST END AVENUE
 NASHVILLE TN
 37203
 Telephone 800-854-3689
 Direct Billing Inquiries To:

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

706775764
 Customer No.

104285822
 Invoice No.

10/09/08
 Invoice Date

XEROX

Purchase Order No.

10/06/08
 Date

GSA Contract No.

X202035
 Xerox Reference No.

10/06/08
 Date Processed

Registration No.

CR
 Special Reference No.

Tax

PAYABLE ON RECPT
 Terms of Payment

Bill To
 LG & E ENERGY LLC
 SUITE 1400
 220 W MAIN ST
 LOUISVILLE
 40202-1395

7022030
 Master Order No.

Bill Code

Handwritten:
 KY
 BPO-12587
 Rel #178

Reorder No.	Description	Quantity Ordered	Quantity Shipped	Unit Price	Amount
	21988.32 X 1				
	BILL PRINT	*	90288	1.0000	90,288.00
	NATIONAL ENVELOPE :	*	1	26756.3800	26,756.38
	26756.38 X 1				
	OVERTIME WEEKDAY :	*	1	3969.0000	3,969.00
	110.25 X 36				
	OVERTIME WEEKEND	*	12	48.0000	576.00

Rate Case
Rate Case

INVOICE TOTAL \$121,589.38

RECEIVED
 OCT 17 2008

ACCOUNTS PAYABLE

Handwritten:
 Karan Kapp
 for Monica Monan-Saunders
 10-17-08

Handwritten Signature

THANK YOU FOR DOING BUSINESS WITH XEROX BUSINESS SERVICES

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

Payment

PLEASE INCLUDE THIS STUB WITH YOUR PAYMENT, OR WRITE YOUR INVOICE NUMBER(S) ON YOUR CHECK.

Ship To/Installed At
 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
 40202-1395

When Paying By Mail
 Send Payment To:
 XEROX CORPORATION
 P O BOX 650361
 DALLAS, TX
 75265-0361

Please check here if your "Bill To" address or "Ship To/Installed At" location has changed and complete reverse side.

Invoice Amount

00-495-2826 1 706775764 104285822 10/09/08 4284
 038 161110490 B
 Q000267

\$121,589.38
 5449 1 LGE00

202100008070060 1042858226 0300000009 270677576490

X X

XEROX

Customer Information

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

706775764
Customer No

104238843
Invoice No

10/04/08
Invoice Date

Purchase Order No
X192145
Xerox Order No

09/09/08
Date
09/09/08
Date Proc.

GSA Contract No
Registration No

Telephone: 888-771-5225

Special Ref No

Tax

PAYABLE ON RECEIPT
Terms and Conditions of Payment

www.xerox.com/eSupportCentre

7022030
Master Order No

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

Bill to
LG & E ENERGY LLC

Bill Code

SUITE 1400
220 W MAIN ST
LOUISVILLE KY
40202

Remarks:

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	
INVOICE TOTAL					\$5,394.00

OCT 13 2008

ACCOUNTS PAYABLE

37.5% 122482 | LGE RATE CASE - E | 0300 | 2022.75
 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

Rep 66577

LOUISVILLE GAS AND ELECTRIC COMPANY

CASE NO. 2008-00252

CASE NO. 2007-00564

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

Updated Response filed November 26, 2008

Question No. 106

Responding Witness: S. Bradford Rives

Q-106. Refer to Volume 1 of 3 of LG&E's response to Staff's first request at Item 4(a), page 3 of 3, which includes among the list of long-term debt instruments several issuances of variable rate "Pollution Control Bonds" which the Commission has granted LG&E authority to refinance.

a. For each pollution control debt instrument provide the following:

(1) The anticipated date refinancing will be completed.

(2) The anticipated cost rate to maturity.

(3) 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 are expected to be higher or lower than those shown in Item 4(a), page 3 of 3.

A-106. a. The attachment shows the anticipated refinancing date for each bond and the initial cost rate based on current market conditions. The actual rates are shown for three bonds which have been priced, but will not close until November 25. The actual rates on the remaining bonds 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 106a, current market conditions generally support an interest rate below the rate included in the updated response to PSC-1 Question No. 43.

Louisville Gas and Electric - 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>
Jefferson 2000 A	\$ 25,000,000	Non-AMT	Put-Bond	5.375%	11/25/2008
Trimble 2000 A	\$ 83,335,000	AMT	Variable backed by L/C	3.43%	1/14/2009
Jefferson 2001 A	\$ 10,104,000	AMT	Put-Bond	5.95% - 6.50%	1/27/2009
Trimble 2002 A	\$ 41,665,000	AMT	Put-Bond	5.95% - 6.50%	1/27/2009
Metro Louisville 2003 A	\$ 128,000,000	Non-AMT	Variable backed by L/C	3.23%	1/14/2009
Metro Louisville 2005 A	\$ 40,000,000	Non-AMT	Put-Bond	5.75%	11/25/2008
Metro Louisville 2007 A	\$ 31,000,000	Non-AMT	Put-Bond	5.625%	11/25/2008
Metro Louisville 2007 B	\$ 35,200,000	Non-AMT	Put-Bond	5.20% - 5.75%	1/27/2009

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 11/13/08)	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%	

LOUISVILLE GAS AND ELECTRIC COMPANY

CASE NO. 2008-00252

CASE NO. 2007-00564

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

Updated Response filed November 26, 2008

Question No. 28

Responding Witness: Shannon L. Charnas

Q-28. Refer to LG&E's response to Item 97 of Staff's Second Request. Provide the monthly average per-gallon cost of fuel for September 2008. Also provide the monthly average per-gallon costs for October and November 2008 as those costs become available.

A-28. Monthly average per-gallon cost of fuel:

October 2008 \$2.86