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Mr. Jeff DeRouen
Executive Director
Kentucky Public Service Commission
211 Sower Boulevard
Frankfort, KY 40602

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PUBLIC SERVICE
COMMISSION

**Louisville Gas and
Electric Company**
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February 25, 2010

**RE: *AN EXAMINATION BY THE PUBLIC SERVICE COMMISSION
OF THE ENVIRONMENTAL SURCHARGE MECHANISM OF
LOUISVILLE GAS AND ELECTRIC COMPANY FOR THE SIX-
MONTH BILLING PERIOD ENDING OCTOBER 31, 2009
CASE NO. 2009-00502***

Dear Mr. DeRouen:

Please find enclosed and accept for filing the original and ten (10) copies of the Response of Louisville Gas and Electric Company to the Commission Staff's Questions raised at the February 17, 2010 Informal Conference, in the above-referenced matter.

With these responses, Louisville Gas and Electric Company requests the Commission take Case No. 2009-00502 under submission for decision and issue an order by March 31, 2010.

Should you have any questions concerning the enclosed, please contact me at your convenience.

Sincerely,

Robert M. Conroy

Enclosures

cc: Parties of Record

COMMONWEALTH OF KENTUCKY
BEFORE THE PUBLIC SERVICE COMMISSION

In the Matter of:

AN EXAMINATION BY THE PUBLIC SERVICE)	
COMMISSION OF THE ENVIRONMENTAL)	
SURCHARGE MECHANISM OF LOUISVILLE GAS)	CASE NO.
AND ELECTRIC COMPANY FOR THE SIX-MONTH)	2009-00502
BILLING PERIOD ENDING OCTOBER 31, 2009)	

RESPONSE OF
LOUISVILLE GAS AND ELECTRIC COMPANY
TO
COMMISSION STAFF'S QUESTIONS RAISED AT
THE FEBRUARY 17, 2010 INFORMAL CONFERENCE

FILED: February 25, 2010

LOUISVILLE GAS AND ELECTRIC COMPANY

**Response to Commission Staff's Questions Raised at the
February 17, 2010 Informal Conference**

Case No. 2009-00502

Question No. 1

Witness: Robert M. Conroy

- Q-1. Refer to the Company's Response to Item 5.
- a. Explain the increase related to additional contract labor in June as stated in the fifth paragraph of the response.
 - b. Provide the consumables included in Account 506109 referenced in the fifth paragraph of the response.
- A-1.
- a. The SO₃ mitigation systems installed at the Trimble County Station are designed with the capability to run on a primarily continuous basis with some operational intervention. The operational intervention includes monitoring the system performance, adjusting input flow levels as needed, and physically removing any plugging from the system. Given the relatively non-technical nature of the operational intervention, contract labor was utilized to perform this work.
 - b. The consumable purchased and utilized for SO₃ Mitigation at the Trimble Station for TC Unit 1 is Hydrated Lime.