

COMMONWEALTH OF KENTUCKY  
BEFORE THE PUBLIC SERVICE COMMISSION

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PUBLIC SERVICE  
COMMISSION

In the Matter of:

APPLICATION OF KENTUCKY UTILITIES )  
COMPANY FOR AN ADJUSTMENT OF ) CASE NO. 2009-00548  
BASE RATES )

**SUPPLEMENTAL REQUEST FOR INFORMATION**  
**OF THE ATTORNEY GENERAL**

Comes now the intervenor, the Attorney General of the Commonwealth of Kentucky, by and through his Office of Rate Intervention, and submits these Supplemental Requests for Information to Kentucky Utilities [hereinafter referred to as "KU"] to be answered by the date specified in the Commission's Order of Procedure, and in accord with the following:

(1) In each case where a request seeks data provided in response to a staff request, reference to the appropriate request item will be deemed a satisfactory response.

(2) Please identify the witness who will be prepared to answer questions concerning each request.

(3) Please repeat the question to which each response is intended to refer. The Office of the Attorney General can provide counsel for KU with an electronic version of these questions, upon request.

(4) These requests shall be deemed continuing so as to require further and supplemental responses if the company receives or generates additional information within the scope of these requests between the time of the response and the time of any hearing conducted hereon.

(5) Each response shall be answered under oath or, for representatives of a public or private corporation or a partnership or association, be accompanied by a signed certification of

the preparer or person supervising the preparation of the response on behalf of the entity that the response is true and accurate to the best of that person's knowledge, information, and belief formed after a reasonable inquiry.

(6) If any request appears confusing, please request clarification directly from the Office of Attorney General.

(7) To the extent that the specific document, workpaper or information as requested does not exist, but a similar document, workpaper or information does exist, provide the similar document, workpaper, or information.

(8) To the extent that any request may be answered by way of a computer printout, please identify each variable contained in the printout which would not be self evident to a person not familiar with the printout.

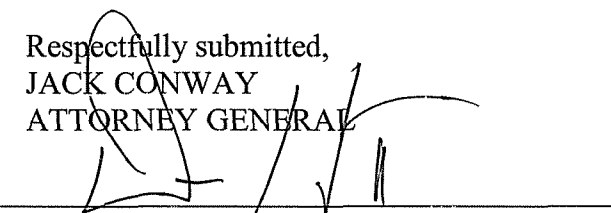
(9) If the company has objections to any request on the grounds that the requested information is proprietary in nature, or for any other reason, please notify the Office of the Attorney General as soon as possible.

(10) For any document withheld on the basis of privilege, state the following: date; author; addressee; indicated or blind copies; all persons to whom distributed, shown, or explained; and, the nature and legal basis for the privilege asserted.

(11) In the event any document called for has been destroyed or transferred beyond the control of the company, please state: the identity of the person by whom it was destroyed or transferred, and the person authorizing the destruction or transfer; the time, place, and method of destruction or transfer; and, the reason(s) for its destruction or transfer. If destroyed or disposed of by operation of a retention policy, state the retention policy.

(12) Please provide written responses, together with any and all exhibits pertaining thereto, in one or more bound volumes, separately indexed and tabbed by each response.

Respectfully submitted,  
JACK CONWAY  
ATTORNEY GENERAL



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**CERTIFICATE OF SERVICE AND NOTICE OF FILING**

Counsel certifies that an original and ten photocopies of the foregoing were served and filed by hand delivery to Jeff Derouen, Executive Director, Public Service Commission, 211 Sower Boulevard, Frankfort, Kentucky 40601; counsel further states that true and accurate copies of the foregoing were mailed via First Class U.S. Mail, postage pre-paid, to:

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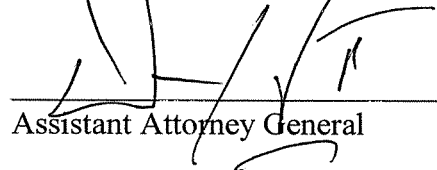
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this, 21<sup>st</sup> day of March, 2010



Assistant Attorney General

**KENTUCKY UTILITIES COMPANY  
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1. Please reference AG 1-2. Please confirm that the answer reflects only residential customer accounts. If not, please provide a breakdown of the same information previously requested for residential, commercial and industrial class.
  - a. Do any of the entries in the table reflect customers who may have receive more than one late payment penalty in any given month?
  - b. Please provide the percentage of the residential class which received a late payment for every month listed.

2. Please reference AG1-2. Confirm that, based on the company's Application, Seelye Exhibit 20 at Page 35, the total year-end customers for the company is 509,686. If so, confirm the following:

- a. The total percentage breakdown for ratepayers who/which received late payments , without breaking down for rate class, is a follows by month in 2009:

April	8.7%
May	26.2%
June	22.9%
July	27.2%
August	25.4%
September	23.4%
October	27.3%
November	25.8%
December	26.4%

- b. If the company disputes the above percentages, please provide the company's calculations for the total number of customers who received a late payment penalty by way of a breakdown by residential, commercial, and industrial class.
- c. Regardless of whether the company disputes the total as listed in part a., please provide a breakdown by residential, commercial, and industrial class.

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- d. Please state whether the late payment penalties were based on actual or estimated meter reads for each month for the last five years.
  - e. If any late payments were based on estimated bills, please provide the number by month for the past five years.
3. Please reference AG 1-3. Please confirm that the answer reflects only residential customer accounts. If not, please provide a breakdown of the same information previously requested for residential, commercial and industrial class.
4. Please reference AG 1-4. Please confirm that the answer reflects only residential customer accounts. If not, please provide a breakdown of the same information previously requested for residential, commercial and industrial class.
5. Of the amount assessed and collected for the residential class, please provide the amount, if any, the company reimbursed to the ratepayers for each month over the past five years and indicate whether those amounts were included in the prior responses to AG 1-3 and AG 1-4.
  - a. If the company reimbursed any late payment fees, will this amount be “written off” by the company or will the company seek to recover the amount in base rates?
  - b. If the company will seek to recover the amount in base rates, please provide the actual or projected amount.
6. Please reference AG 1-3 and AG 1-4 or the updated answers to same in AG 2-3 and 2-4. Will the company seek to recover the difference between late payments assessed and the late payments collected in rate base?
7. Please reference AG 1-7. State whether any residential customers’ due date(s) changed on the calendar date in any given month and the most times that it

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happened over the past year. For example, did it change from the fourth to the eighth calendar day in any consecutive month, etc.?

- a. If the answer is yes, does the company take the position that this practice is fair to a customer who may either budget his/her expenditures or perhaps relies on a personally automated bank debit to pay his/her bills?
  - b. Is the company aware that certain customers' payment due date has changed so radically that they receive their bill in the mail at such a time that they cannot actually pay their bill on time without experiencing a late payment penalty? If not, why not?
8. Please reference AG 1-8 and AG 2-7. Is the company aware that the actual calendar due date of certain customers' bills have changed?
- a. If not, why not?
  - b. Has the company been informed of same by the customer? If so, explain in detail.
  - c. Has the company been informed of same by the PSC? If so, explain in detail.
  - d. Has the company been informed of same by the Attorney General? If so, explain in detail.
  - e. Is the company aware that certain customers' payment due date has changed so radically that they receive their bill in the mail at such a time that they cannot actually pay their bill on time without experiencing a late payment penalty? If not, why not?
  - f. Does the company take the position that this practice is fair to a customer who may either budget his/her expenditures or perhaps relies on a personally automated bank debit to pay his/her bills?
9. Please reference AG 1-9 and AG 2-7. Is the company aware that the actual calendar due date of certain customers' bills have changed?



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- a. If not, why not?
  - b. Has the company been informed of same by the customer? If so, explain in detail.
  - c. Has the company been informed of same by the PSC? If so, explain in detail.
  - d. Has the company been informed of same by the Attorney General? If so, explain in detail.
  - e. Is the company aware that certain customers' payment due date has changed so radically that they receive their bill in the mail at such a time that they cannot actually pay their bill on time without experiencing a late payment penalty? If not, why not?
  - f. Does the company take the position that this practice is fair to a customer who may either budget his/her expenditures or perhaps relies on a personally automated bank debit to pay his/her bills?
10. Please reference AG 1- 10. Does the company acknowledge that it had to hire additional staff to handle customer complaint call volume to address the complaints regarding the termination of the Select Due Date program?
- a. If not, why not?
  - b. Is the company aware that it did so and informed the AG accordingly? If not, why not?
  - c. Is the company aware that it did so and informed the PSC accordingly? If not, why not?
  - d. Did the company set up or otherwise activate a voicemail whereby it informed customers that due to high call volume during part of 2009 that it asked customers to leave a message or defer to certain payment options?
  - e. If the answer to d. above is no, please explain the response.

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- f. If the answer to d. above is no, please explain why the company informed the Attorney General's Office and the Public Service Commission differently.
11. Please provide the current data for the months available in 2010 and answer the update the answer in AG 1-2, AG 1-3, and AG 1- 4.
- a. Please refer to AG 2-2, AG 2-3 and AG 2-4 and provide the information as available for 2010.
12. Please reference AG 1-3 and 1-4. Explain how and/or why the amounts collected exceeded the amount assessed for certain months.
13. The United States Postal Service is currently considering the elimination of Saturday mail delivery. Given the possible impact to the company's billing generation and payment processes:
- a. Please state in detail what action the company has taken, or will take, to address this issue. If the company has not considered the issue, please state in detail why not.
- b. Has the company considered the impact to its customers should such a policy be adopted? Please state in detail what company expects would be the impact to customers in regard to the timing of their payments.
- c. Since the company currently uses an out of state processor to handle customer payments, please describe in detail how the elimination of Saturday mail delivery would impact the processor and whether the crediting of a customers' account could be delayed as a result of this change.
- d. Please provide a timeline illustrating the timing of the bill generation and payments processes. Please indicate how the elimination of Saturday mail delivery would impact these processes on the requested timeline.

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14. Refer to Response to AG 1-19.
  - a. Explain the amounts in account 421101.
  
15. Refer to Response to AG 1-28. Provide Management's responses to all findings in each of these audits.
  
16. Refer to Response to AG 1-32.
  - a. Explain the December retirements in each year.
  - b. Explain the October 2008 retirements
  - c. Explain the February, June, July and September through November 2009 retirements.
  
17. Refer to Response to AG 1-47. Please provide a flow chart showing the flow of cash starting from ratepayers through the parties to the Amended and Restated Tax Allocation Agreement.
  
18. Refer to Response to AG 1-54. Please provide the calculations of tax gains and the sales at book value showing no gain or loss.
  
19. With regard to Exhibit 1 to the January 29, 2010 Testimony of S. Bradford Rives, please provide copies of all workpapers showing the calculations of the amounts shown on Schedules 1.00 – 1.34.