



**S T O L L · K E E N O N · O G D E N**  
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June 4, 2010

**RECEIVED**

JUN 04 2010

**PUBLIC SERVICE  
COMMISSION**

**VIA HAND DELIVERY**

Jeff DeRouen  
Executive Director  
Kentucky Public Service Commission  
211 Sower Boulevard  
Frankfort, KY 40601

**RE: Application of Kentucky Utilities Company for an Adjustment of Base Rates**  
**Case No. 2009-00548**

Dear Mr. DeRouen:

Please note the following witness corrections for the following documents filed on behalf of Kentucky Utilities Company ("KU") in the above-captioned proceeding:

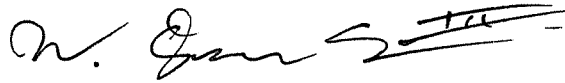
| <u>Witness</u>    | <u>Document</u>  | <u>Page #</u>            | <u>Correction</u>  |
|-------------------|--|--------------------------|--|
| Daniel K. Arbough | Rebuttal Testimony of Daniel K. Arbough<br>Filed: May 27, 2010   | Page 2<br>Line 13        | Delete extra "%" symbol  |
|                   | KU Response to Attorney General's Initial Requests for Information dated March 1, 2010, Question No. 215 | n/a                      | A-215. Reference to "Attachment to LGE AG 1-215(b)" should be "Attachment to KU AG 1-215(b)" |
| William E. Avera  | Rebuttal Testimony of William E. Avera<br>Filed: May 27, 2010  | Exhibit WEA-11<br>Page 1 | Line item numbering is missing under "Company" column; see attached                          |

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Page 2

| <u>Witness</u>    | <u>Document</u>   | <u>Page #</u>     | <u>Correction</u>         |
|-------------------|---|-------------------|---------------------------|
| S. Bradford Rives | Testimony of S. Bradford Rives<br>Filed: January 29, 2010 | Page 3<br>Line 12 | “6.35%” should be “6.33%” |
|                   | Testimony of S. Bradford Rives<br>Filed: January 29, 2010 | Page 3<br>Line 13 | “5.55%” should be “5.54%” |

Should you have any questions please contact me at your convenience.

Yours very truly,



W. Duncan Crosby III

WDC:ec  
cc: Parties of Record

REVISED DCF ANALYSIS

BAUDINO PROXY GROUP

| Company                   | (a) Dividend Yield |       | (b) Growth Rates |       | (c) Cost of Equity Estimates |              |
|---------------------------|--------------------|-------|------------------|-------|------------------------------|--------------|
|                           | Yield              | Value | Line             | Zacks | Line                         | Thomson      |
| 1 ALLETE, Inc.            | 5.4%               | -0.5% | 4.9%             | 3.7%  | 9.1%                         | 10.8%        |
| 2 Alliant Energy Corp.    | 5.2%               | 7.0%  | 12.3%            | 4.0%  | 9.3%                         | 10.9%        |
| 3 Con. Edison, Inc.       | 5.5%               | 2.5%  | 8.1%             | 3.0%  | 8.6%                         | 8.9%         |
| 4 DTE Energy Company      | 5.1%               | 7.0%  | 12.3%            | 5.0%  | 10.3%                        | 10.3%        |
| 5 Edison International    | 3.7%               | 3.5%  | 7.3%             | 5.0%  | 8.8%                         | 5.8%         |
| 6 Entergy Corporation     | 3.8%               | 5.0%  | 8.9%             | 4.0%  | 7.9%                         | 10.6%        |
| 7 Exelon Corporation      | 4.5%               | 1.5%  | 6.0%             | 0.5%  | 5.0%                         | 4.4%         |
| 8 IDACORP, Inc.           | 3.9%               | 4.5%  | 8.4%             | 5.0%  | 9.0%                         | 9.0%         |
| 9 Northeast Utilities     | 3.9%               | 7.0%  | 11.0%            | 7.9%  | 12.0%                        | 11.9%        |
| 10 Pepco Holdings, Inc.   | 6.7%               | 0.5%  | 7.2%             | 5.3%  | 12.2%                        | 12.2%        |
| 11 PG&E Corporation       | 4.0%               | 6.5%  | 10.6%            | 7.7%  | 11.8%                        | 11.1%        |
| 12 Progress Energy Inc.   | 6.4%               | 4.5%  | 11.0%            | 4.0%  | 10.5%                        | 10.2%        |
| 13 PS Enterprise Group    | 4.3%               | 7.5%  | 12.0%            | 1.0%  | 5.3%                         | 6.5%         |
| 14 Southern Company       | 5.4%               | 4.5%  | 10.0%            | 7.4%  | 13.0%                        | 10.6%        |
| 15 Wisconsin Energy Corp. | 3.0%               | 8.0%  | 11.1%            | 8.7%  | 11.8%                        | 12.7%        |
| 16 Xcel Energy Inc.       | 4.8%               | 6.5%  | 11.5%            | 5.7%  | 10.6%                        | 11.1%        |
| <b>Average (d)</b>        |                    |       | <b>10.6%</b>     |       | <b>10.5%</b>                 | <b>10.8%</b> |
|                           |                    |       |                  |       | <b>10.6%</b>                 |              |

(a) Exhibit (RAB-3).

(b) Exhibit (RAB-4).

(c) Sum of dividend yield and respective growth rate.

(d) Excludes highlighted values.