ATTORNEYS AT LAW

Ronald M. Sullivan Jesse T. Mountjoy Frank Stainback James M. Miller Michael A. Fiorella Allen W. Holbrook R. Michael Sullivan Bryan R. Reynolds Tyson A. Kamuf Mark W. Starnes C. Ellsworth Mountjoy Susan Montalvo-Gesser

June 22, 2010

#### **Via Federal Express**

Jeff DeRouen Executive Director Public Service Commission 211 Sower Boulevard, P.O. Box 615 Frankfort, Kentucky 40602-0615 JUN 232010

RECENTVER D

PUBLIC SERVICE COMMISSION

Re: Joint Application of PPL Corporation, et al. PSC Case No. 2010-00204

Dear Mr. DeRouen:

Enclosed are an original and twelve copies of the first data requests of Big Rivers Electric Corporation to the joint applicants in the above-referenced matter. I certify that a copy of this letter and attachment have been served on each of the persons shown on the attached service list.

Sincerely yours,

James m mille

James M. Miller

JMM/ej Enclosures

cc: Albert Yockey Service List

Telephone (270) 926-4000 Telecopier (270) 683-6694

> 100 St. Ann Building PO Box 727 Owensboro, Kentucky 42302-0727

### SERVICE LIST PSC CASE NO. 2010-00204

Hon. David Jeffrey Barberie
Corporate Counsel
Lexington-Fayette Urban
County Government
Department of Law
200 East Main Street
Lexington, KY 40507

Lonnie E. Bellar E.ON U.S. LLC 220 West Main Street Louisville, KY 40202

Robert J. Grey General Counsel PPL Corporation Two North Ninth Street Allentown, PA 18101

Hon. Dennis Howard Assistant Attorney General Utility & Rate Intervention Division 1024 Capital Center Drive, Suite 200 Frankfort, Kentucky 40601-8204

Michael L. Kurtz, Esq. BOEHM, KURTZ & LOWRY 36 East Seventh Street, Suite 1510 Cincinnati, Ohio 45202

Hon. Lisa Kilkelly Legal Aid Society 416 W. Muhammad Ali Blvd., Suite 300 Louisville, Kentucky 40202

Hon. Don Meade Priddy, Cutler, Miller & Meade 800 Republic Building 429 W,. Muhammad Ali Blvd. Louisville, KY 40202 Hon. Richard J. Northern Wyatt, Tarrant & Combs, LLP 2800 PNC Plaza 500 West Jefferson Street Louisville, Kentucky 40202

Hon. Kendrick R. Riggs Stoll Keenon Ogden PLLC 2000 PNC Plaza 500 West Jefferson Street Louisville, Kentucky 40202-2828

Paul E. Russell Associate General Counsel PPL Corporation Two North Main Street Allentown, PA 18101

### COMMONWEALTH OF KENTUCKY BEFORE THE PUBLIC SERVICE COMMISSION

In the Matter of:

JOINT APPLICATION OF PPL CORPORATION, E.ON AG, E.ON US INVESTMENTS CORP.. ) E.ON U.S. LLC. LOUISVILLE GAS AND ELECTRIC COMPANY AND KENTUCKY UTILITIES ) CASE NO. 2010-00204 COMPANY FOR APPROVAL OF AN ACQUISITION ) OF OWNERSHIP AND CONTROL OF UTILITIES )

# FIRST DATA REQUESTS OF **BIG RIVERS ELECTRIC CORPORATION** TO JOINT APPLICANTS

Big Rivers Electric Corporation ("Big Rivers") requests that PPL Corporation,

E.ON AG, E.ON US Investments Corp., E.ON U.S. LLC, Louisville Gas and Electric

Company and Kentucky Utilities Company ("Joint Applicants") respond to these First

Data Requests.

# DEFINITIONS

"Document(s)" is used in its customary broad sense and includes 1. electronic mail and all written, typed, printed, electronic, computerized, recorded or graphic statements, communications or other matter, however produced or reproduced, and whether or not now in existence, or in your possession.

"Study" means any written, recorded, transcribed, taped, filmed, or graphic 2 matter, however produced or reproduced, either formally or informally, on a particular issue or situation, in whatever detail, whether or not the consideration of the issue or situation is in a preliminary stage, and whether or not the consideration was

discontinued prior to completion, whether preliminary or final, and whether or not referred to in Applicant's direct testimony.

3. "You" or "your" means the person whose filed testimony is the subject of these requests and, to the extent relevant and necessary to provide full and complete answers to any request, "you" or "your" may be deemed to include any person with information relevant to any request who is or was employed by or otherwise associated with the witness or who assisted, in any way, in the preparation of the witness' testimony.

### INSTRUCTIONS

4. The Requests shall be deemed continuing so as to require or prompt further and supplemental production if at any time during this proceeding in the event you locate or obtain possession, custody or control of additional responsive Documents.

5. Any Studies, Documents, or other subject matter not yet completed that will be relied upon during the course of this proceeding should be provided as soon as they are completed. You are obliged to change, supplement and correct all answers to these Requests to conform to available information, including such information as it first becomes available to you after the answers hereto are served.

6. If any document requested herein was at one time in existence, but has been lost, discarded or destroyed, identify such document as completely as possible, including the type of document, its date, the date or approximate date it was lost, discarded or destroyed, the identity of the person (s) who last had possession of the document and the identity of all persons having knowledge of the contents thereof.

7. Unless otherwise expressly provided, each interrogatory should be construed independently and not with reference to any other interrogatory herein for purpose of limitation.

8. The answers should identify the person(s) supplying the information.

9. Please answer each designated part of each information request separately. If you do not have complete information with respect to any interrogatory, so state and give as much information as you do have with respect to the matter inquired about, and identify each person whom you believe may have additional information with respect thereto.

10. If a document or information responsive to an information request is subject to a petition for confidential treatment, or has been granted confidential treatment in this proceeding, Big Rivers requests that Joint Applicants send Big Rivers' counsel of record the form of confidentiality agreement that Joint Applicants would accept for purposes of disclosing the requested information to Big Rivers.

### FIRST DATA REQUESTS

Please provide Sections 3.10, 3.15, 3.16 and 3.25 of the Company Disclosure
 Schedules to the Purchase and Sale Agreement with the following information not
 redacted: Information that concerns, references or relates to (i) the WKE Documents,
 (ii) the WKE Matters, (iii) the "unwind transaction" with Big Rivers or (iv) any of the rights
 or obligations under the WKE Documents of a party to a WKE Document.

2. Mr. Farr states at page four of his testimony that, after the closing the transaction contemplated in the Purchase and Sale Agreement, he expects PPL Kentucky will issue \$800 million in unsecured corporate debt.

- Please explain in detail the impact of that anticipated issuance of debt on the level of debt currently carried by E.ON U.S. LLC.
- b. After the anticipated issuance by PPL Kentucky of \$800 million in unsecured corporate debt, will the Tangible Net Worth of PPL Kentucky, defined and calculated as provided in Section 7(b) of the Amended and Restated Guarantee between E.ON U.S. LLC and Big Rivers Electric Corporation dated as of July 16, 2009, and the Guarantee between E.ON U.S. LLC and Big Rivers Electric Corporation dated as of July 16, 2009, be less than \$500 million?
- 3. Please refer to the testimony of Mr. Rives, page eight, lines eight through twelve.
  - a. Please state each credit rating currently assigned to E.ON U.S. LLC and its debt by Standard & Poor's and Moody's.
  - b. Please state each credit rating you anticipate will be assigned to E.ON
     U.S. LLC (PPL Kentucky) and its debt by Moody's after the closing of the transaction contemplated in the Purchase and Sale Agreement.

4. Will the Joint Applicants agree to reword Commitment No. 38 to read as follows (additions are underlined):

Purchaser and the Company commit that the Purchase will have no effect or impact on various agreements associated with the unwind and termination of the lease agreement with Big Rivers, and that the Company and its affiliates will continue to be bound by the terms of their respective agreements with Big Rivers.

5. Mr. Bellar states in his testimony at page 4 that Louisville Gas & Electric Company and Kentucky Utilities Company (collectively, the "Companies") have no plans to become members of an RTO after the closing of the transaction contemplated in the Purchase and Sale Agreement. The Companies expect to continue to operate independently from a RTO, but may retain Southwest Power Pool, Inc. ("SPP") as the Companies' independent transmission operator. Big Rivers has been negatively impacted by the response of SPP to certain Big Rivers requests for transmission service, system impact studies and transmission facility studies. SPP is apparently not knowledgeable about its obligations under the terms of the Companies' respective open access transmission tariffs. Will E.ON U.S. (PPL Kentucky) commit to cause the Companies to monitor the performance of SPP on behalf of the Companies, and to insist that SPP correct deficiencies in its performance on behalf of the Companies?

June 22, 2010

SULLIVAN, MOUNTJOY, STAINBACK & MILLER, P.S.C.

Jaches M. Miller Tyson A. Kamuf 100 St. Ann Street, P. O. Box 727 Owensboro, Kentucky 42302-0727 (270) 926-4000

Counsel for Big Rivers Electric Corporation