BOEHM, KURTZ & LOWRY

ATTORNEYS AT LAW 36 EAST SEVENTH STREET SUITE 1510 CINCINNATI, OHIO 45202 TELEPHONE (513) 421-2255

TELECOPIER (513) 421-2764

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JUL 19 2010

PUBLIC SERVICE COMMISSION

July 16, 2010

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

Re: Case No. 2010-00204

Dear Mr. Derouen:

Via Overnight Mail

Please find enclosed the original and twelve (12) copies of the SECOND SET OF DATA REQUEST OF KENTUCKY INDUSTRIAL UTILITY CUSTOMERS, INC. TO PPL CORPORATION, E.ON AG, E.ON US INVESTMENTS CORP., E.ON U.S. LLC, LOUISVILLE GAS & ELECTRIC COMPANY and KENTUCKY UTILITIES COMPANY filed in the above-referenced matter. By copy of this letter, all parties listed on the Certificate of Service have been served.

Please place this document of file.

Very Truly Yours,
Muchael Kush

David F. Boehm, Esq. Michael L. Kurtz, Esq.

BOEHM, KURTZ & LOWRY

MLKkew Attachment

cc: Certificate of Service

CERTIFICATE OF SERVICE

I hereby certify that a copy of the foregoing was served by mailing a true and correct copy via electronic mail (when available) and by first-class postage prepaid mail, to all parties on the 16th day of July, 2010.

Honorable 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

David Brown Stites & Harbison, PLLC 1800 Providian Center 400 West Market Street Louisville, KY 40202

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

Mr. Dennis Howard
Assistant Attorney General
1024 Capital Center Drive
Frankfort, KY 40601

Honorable Matthew R Malone Attorney at Law Hurt, Crosbie & May PLLC The Equus Building 127 West Main Street Lexington, KY 40507

Honorable Don Meade Priddy, Cutler, Miller & Meade 800 Republic Bldg. 429 W. Muhammad Ali Blvd. Louisville, KY 40202 Honorable James M Miller
Attorney at Law
Sullivan, Mountjoy, Stainback & Miller, PSC
100 St. Ann Street
P.O. Box 727
Owensboro, KY 42302-0727

Richard Northern Wyatt, Tarrant & Combs, LLP 500 West Jefferson Street Suite 2800 Louisville, KY 40202-2898

Honorable Kendrick R Riggs Attorney at Law Stoll Keenon Ogden, PLLC 2000 PNC Plaza 500 W Jefferson Street Louisville, KY 40202-2828

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

Honorable Iris G Skidmore 415 W. Main Street Suite 2 Frankfort, KY 40601

> David F. Boehm, Esq. Michael L. Kurtz, Esq.

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JUL 19 2010

PUBLIC SERVICE COMMISSION

COMMONWEALTH OF KENTUCKY BEFORE THE PUBLIC SERVICE COMMISSION

THE JOINT APPLICATION OF PPL CORPORATION, E.ON AG, E.ON US INVESTMENTS CORP., E.ON U.S. LLC, LOUISVILLE GAS & ELECTRIC COMPANY AND KENTUCKY UTILITIES COMPANY FOR APPROVAL OF AN ACOUISITION OF

Docket No. 2010-00204

OWNERSHIP AND CONTROL OF UTILITIES

SECOND SET OF DATA REQUESTS OF KENTUCKY INDUSTRIAL UTILITY CUSTOMERS, INC. TO PPL CORPORATION, E.ON AG, E.ON US INVESTMENTS CORP., E.ON U.S. LLC, LOUISVILLE GAS & ELECTRIC COMPANY and KENTUCKY UTILITIES COMPANY

Dated: July 16, 2010

DEFINITIONS

- 1. "Document" means the original and all copies (regardless of origin and whether or not including additional writing thereon or attached thereto) of memoranda, reports, books, manuals, instructions, directives, records, forms, notes, letters, notices, confirmations, telegrams, pamphlets, notations of any sort concerning conversations, telephone calls, meetings or other communications, bulletins, transcripts, diaries, analyses, summaries, correspondence investigations, questionnaires, surveys, worksheets, and all drafts, preliminary versions, alterations, modifications, revisions, changes, amendments and written comments concerning the foregoing, in whatever form, stored or contained in or on whatever medium, including computerized memory or magnetic media.
- 2. "Study" means any written, recorded, transcribed, taped, filmed, or graphic matter, however produced or reproduced, either formally or informally, 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.
- 3. "Person" means any natural person, corporation, professional corporation, partnership, association, joint venture, proprietorship, firm, or the other business enterprise or legal entity.
- 4. A request to identify a natural person means to state his or her full name and residence address, his or her present last known position and business affiliation at the time in question.
- 5. A request to identify a document means to state the date or dates, author or originator, subject matter, all addressees and recipients, type of document (e.g., letter, memorandum, telegram, chart, etc.), number of code number thereof or other means of identifying it, and its present location and custodian. If any such document was, but is no longer in the Companies' possession or subject to its control, state what disposition was made of it.
- 6. A request to identify a person other than a natural person means to state its full name, the address of its principal office, and the type of entity.
- 7. "And" and "or" should be considered to be both conjunctive and disjunctive, unless specifically stated otherwise.
- 8. "Each" and "any" should be considered to be both singular and plural, unless specifically stated otherwise.
- 9. Words in the past tense should be considered to include the present, and words in the present tense include the past, unless specifically stated otherwise.
- 10. "You" or "your" means the person whose filed testimony is the subject of these interrogatories 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 interrogatory 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.
- 11. "Companies" means PPL Corporation, E.ON AG, E.ON Us Investments Corp., E.ON U.S. LLC, Louisville Gas & Electric Company and Kentucky Utilities Company and/or any of their officers, directors, employees or agents who may have knowledge of the particular matter addressed.

INSTRUCTIONS

- 1. If any matter is evidenced by, referenced to, reflected by, represented by, or recorded in any document, please identify and produce for discovery and inspection each such document.
- 2. These interrogatories are continuing in nature, and information which the responding party later becomes aware of, or has access to, and which is responsive to any request is to be made available to Kentucky Industrial Utility Customers. Any studies, documents, or other subject matter not yet completed that will be relied upon during the course of this case should be so identified and provided as soon as they are completed. The Respondent is obliged to change, supplement and correct all answers to interrogatories to conform to available information, including such information as it first becomes available to the Respondent after the answers hereto are served.
- 3. Unless otherwise expressly provided, each interrogatory should be construed independently and not with reference to any other interrogatory herein for purpose of limitation.
- 4. The answers provided should first restate the question asked and also identify the person(s) supplying the information.
- 5. 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.
- 6. In the case of multiple witnesses, each interrogatory should be considered to apply to each witness who will testify to the information requested. Where copies of testimony, transcripts or depositions are requested, each witness should respond individually to the information request.
- 7. The interrogatories are to be answered under oath by the witness(es) responsible for the answer.
- 8. Responses to requests for revenue, expense and rate base data should provide data on the basis of Total Companies as well as Intrastate data, unless otherwise requested.

KIUC SECOND SET OF DATA REQUESTS TO PPL CORPORATION, E.ON AG, E.ON US INVESTMENTS CORP., E.ON U.S. LLC, LOUISVILLE GAS & ELECTRIC COMPANY and KENTUCKY UTILITIES COMPANY

Case No. 2010-00204

- Q2-1. Refer to the Applicants' response to KIUC 1-6. Please confirm that E.ON US, E.ON Services, LG&E and KU will not be allocated any PPL Services Corporation costs through allocations (as opposed to direct assignment for specific services that are provided) that will be charged directly or indirectly to LG&E and/or KU. If this is not the case, then please describe the safeguards that LG&E and KU will employ to protect ratepayers from these additional costs.
- Q2-2. Refer to the Applicants' response to KIUC 1-9(b)-(d). Please confirm that LG&E and KU also will commit to not seek to recover the costs that are reflected in expenses, as opposed to rate base or capitalization, resulting from push-down accounting. Such costs may include, but are not limited to, depreciation or amortization expense resulting from write-ups of assets and deferral of transaction costs.
- Q2-3. Refer to the Applicants' response to KIUC 1-9(c) and (d). Please supplement these responses to include expense effects, not only the balance sheet effects reflected in the original responses.
- Q2-4. Refer to the Applicants' response to KIUC 1-10. The request seeks a commitment from the Applicants, not a statement as to the Applicants' current plans. Please respond to the question as it was posed. If the Applicants are unable or unwilling to make this commitment, then please identify all circumstances under which the Applicants could and/or would seek to obtain an accounting order.
- Q2-5. Refer to the Applicants' response to KIUC 1-11. The request seeks a commitment from the Applicants, not a statement as to the whether the Applicants expect to incur savings or costs to achieve. Please respond to the question as it was posed. If the Applicants are unable or unwilling to make this commitment, then please identify all circumstances under which the Applicants could and/or would seek to obtain an accounting order.
- Q2-6. Refer to the Applicants' response to KIUC 1-13. The request asks if the Applicants would oppose the Commission conditioning its approval of the acquisition on the avoidance of such requirements, not whether the Applicants consider it "unnecessary" or not "advisable."
 - a. Please respond "yes" or "no" to the question as it was originally posed.
 - b. Are the Applicants willing to hold ratepayers harmless from any increased costs or reductions in revenues resulting from the imposition by the FERC, US DOJ or the FTC of requirements to join an RTO, divest utility operating assets, or require KU and LG&E to decline to use their generating facilities to serve native load customers? If not, please explain and provide all reasons why the Applicants are unwilling to make this commitment.

Q2-7. Refer to the Applicants' response to KIUC 1-14(b). Please respond to the question posed with a "yes" or "no." The question asks for an agreement as a matter of principle. If the Applicants are unable or unwilling to confirm their agreement with this principle, then please explain and provide all reasons for your position.

Respectfully submitted,

David F. Boehm, Esq. Michael L. Kurtz, Esq.

BOEHM, KURTZ & LOWRY

36 East Seventh Street, Suite 1510

Cincinnati, Ohio 45202

Ph: (513) 421-2255 Fax: (513) 421-2764

E-Mail: dboehm@BKLlawfirm.com

mkurtz@BKLlawfirm.com

COUNSEL FOR KENTUCKY INDUSTRIAL UTILITY CUSTOMERS, INC.

July 16, 2010