

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) CASE NO.
KENTUCKY UTILITIES COMPANY FOR APPROVAL OF) 2010-00204
AN ACQUISITION OF OWNERSHIP AND CONTROL OF)
UTILITIES)

COMMISSION STAFF'S FIRST INFORMATION REQUEST
TO KENTUCKY INDUSTRIAL UTILITY CUSTOMERS, INC.

Kentucky Industrial Utility Customers, Inc. ("KIUC"), pursuant to 807 KAR 5:001, is to file with the Commission the original and 10 copies of the following information, with a copy to all parties of record. The information requested herein is due no later than August 27, 2010. Responses to requests for information shall be appropriately bound, tabbed and indexed. Each response shall include the name of the witness responsible for responding to the questions related to the information provided.

Each response shall be answered under oath or, for representatives of a public or private corporation or a partnership or association or a governmental agency, be accompanied by a signed certification of the preparer or the 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.


KIUC shall make timely amendment to any prior response if it obtains information which indicates that the response was incorrect when made or, though correct when

made, is now incorrect in any material respect. For any request to which KIUC fails or refuses to furnish all or part of the requested information, it shall provide a written explanation of the specific grounds for its failure to completely and precisely respond.

Careful attention shall be given to copied material to ensure that it is legible. When the requested information has been previously provided in this proceeding in the requested format, reference may be made to the specific location of that information in responding to this request.

1. Refer to lines 5-10 on page 6 of the Direct Testimony of Lane Kollen ("Kollen Testimony"), in which Mr. Kollen refers to his proposed five-year Acquisition Savings Sharing Deferral for Louisville Gas and Electric Company ("LG&E") and Kentucky Utilities Company ("KU"). Mr. Kollen states that the Acquisition Savings Sharing Deferral will conceptually operate in the manner that the LG&E and KU Earnings Sharing Mechanisms ("ESM") operated in years past. Explain whether the proposed Acquisition Savings Sharing Deferral is based strictly on the ESMs or is based on Mr. Kollen's experience with this type of mechanism in other jurisdictions.

2. Refer to line 18 on page 15 to line 3 on page 16 of the Kollen Testimony. Mr. Kollen references the Acquisition Savings Sharing Deferral operating for the shorter of five years or the effective date of new rates resulting from the next base rate cases. Explain how this mechanism would be an effective means of capturing the majority of the savings attributable to the acquisition if the next base rate cases were to take place within a very short period of time, such as one year, after the consummation of the acquisition.



Jeff Derouen
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Public Service Commission
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DATED AUG 16 2010

cc: Parties of Record

Case No. 2010-00204

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