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## E.ON completes Powergen acquisition

E.ON AG has completed its acquisition of Powergen plc and now is the sole owner of the British utility, including its US affiliate LG&E Energy.

This deal is an important strategic step forward for E.ON in its drive to become the world's leading energy services provider. In a single step the company has entered one of the most important European electricity markets and obtained an attractive platform for further growth in the Midwest region of the US.



To find out more about the E.ON Group and E.ON Energie, Powergen, and LG&E Energy, visit the E.ON Web site at [www.eon.com](http://www.eon.com). (To go to the English-language version, click the word "English" in the upper right corner of the screen.)

On completion of the deal,

Ulrich Hartmann, CEO of E.ON, has been appointed as Chairman of the Board of Powergen. Deputy Chairman and Chief Executive Officer (CEO) of Powergen is now Ed Wallis.

### INSIDE:

- *Improving energy efficiency in office buildings: Part 2*
- *BSC contact info for your Rolodex*

## LG&E Energy leads in business-customer satisfaction

J.D. Power & Associates has announced that LG&E Energy has earned 2002's highest customer satisfaction levels in the nation among mid-size business electric customers.

LG&E Energy's nation-leading score of 115 on the J.D. Power index was up 11 points from 2001 and edged out Southern Company, which scored 114 and earned top national honors last year. Duke Energy was third nationally at 111 and Florida Power & Light and Los Angeles Department of Water and Power earned scores of 107.

Cinergy placed second in the Midwest Region and tied with four other utilities for sixth place nationally with a score of 106.

LG&E Energy has led the Midwest Region in each of the three years J.D. Power has surveyed business customers.

LG&E Energy's 2002 ratings topped the Midwest in each of five categories tracked. The company's scores led the nation in three categories—Power Quality and Reliability, Price and Value, Customer Service—and placed second in the two remaining categories: Billing and Payment and Company Image.

"We are proud to be recognized with this prestigious honor as best in the nation and, for the third year in a row, as the top electric utility among business customers in the Midwest," said LG&E Energy President and CEO Vic Staffieri. "This ranking reflects our employees' ongoing commitment to providing excellent customer service and outstanding reliability of electric service—all at the lowest rates in the nation. This latest J.D. Power survey indicates that we remain customer-focused as our industry continues to evolve and that our best-in-class Business Service Centers are meeting and exceeding our customers' expectations."



# Improving energy efficiency in office buildings

## Part 2: Long-Term Solutions

With energy representing nearly 19 percent of office building expenses (see Figure 1), many energy efficiency options should be explored. Including the ones that take some time. Although the actions covered here require more extensive implementation, they can dramatically increase the efficiency of your building.

Inefficient lighting uses more energy per unit of illumination than efficient lighting, and because it releases substantial heat, it also raises the air conditioning bill. Thus, increasing lighting efficiency can result in double the savings during the cooling season.

### Lighting measures

**Install T8 lamps and electronic ballasts.** If your facility used T12 fluorescent lamps, relamping with modern T8 lamps and electronic ballasts can cut 35 percent off your lighting bill. Adding specular reflectors, new lenses, and occupancy sensors or timers can double the savings. Paybacks of one to three years are common. Or you might want to consider going to a system using T5 lamps and indirect fixtures to boost both lighting quality and efficiency.

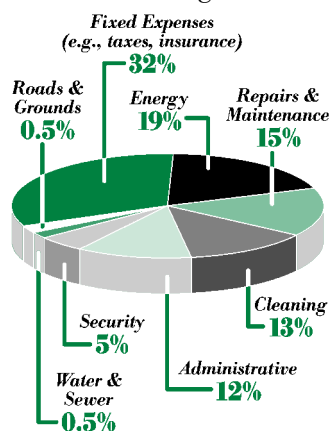
#### Install dimmable ballasts.

Electronic dimmable ballasts allow for individual control of the local lighting environment. Dimmable ballasts can also be controlled remotely by an energy management system. In spaces where natural lighting is available, lighting may be dimmed automatically in proportion to the availability of sunlight.

**Install skylights.** Most buildings can make good use of strategically placed skylights that provide widespread, diffused light. Used with simple dimming systems, skylights can result in a better working environment as well as energy savings.

**Install energy-efficient parking lot lights.** If the office lot uses conventional 250-watt, high-pressure sodium lamps in “cobra head” fixtures, replace them with 175-watt,

Figure 1. Typical expenses for a U.S. office building.



Sources: Building Owners and Managers Association International and E SOURCE.

metal halide lamps housed in “hockey puck” fixtures. Hockey puck luminaires distribute light more efficiently than cobra heads and can save as much as 70 percent in energy costs. Added benefits: less light pollution and darker night skies.

### HVAC systems

These complex systems consist of a number of subsystems and components, all of which present opportunities for savings.

**Upgrade controls.** Install enhanced HVAC system controls if indicated by the commissioning process. Consider installing an appropriately scaled energy management system. Adjust ventilation so that it varies with occupancy, time of day and day of the week.

**Install variable-speed drives (VSDs).** VSDs with digital controls allow for precise setting of the HVAC system to optimize performance while ensuring comfort in your building. Today’s VSDs are less expensive than earlier models and don’t negatively effect power quality as some of their predecessors often did.

**Upgrade the chiller.** If replacing a chiller, consider downsizing it, specifying the most efficient machine available in the size range.

**Upgrade motors.** Whenever motors must be replaced, specify premium-efficiency models, New,

high-efficiency motors save money in the long run over rewinding existing motors. The cost-effectiveness of a premium-efficiency motor in a given application depends on a variety of factors, such as its load level, its duty cycle, and the proposed efficiency improvement. For detailed analyses, the U.S. Department of Energy offers a free program called MotorMaster+ that can perform a thorough economic analysis using its database of high-efficiency motors. The software can be downloaded, free of charge, or used online by going to the MotorMaster+ Web site at [www.mm3.energy.wsu.edu/mmplus/](http://www.mm3.energy.wsu.edu/mmplus/).

### Building envelope

Examine the building itself, not just the equipment, to find savings.

**Air seal.** Major leakage areas frequently occur at the top and bottom of a building’s conditioned envelope. Air sealing helps retard the progress of fires in buildings, too.

**Replace windows.** Modern, specularly selective glazing makes it possible to maintain good visibility through a window while limiting solar gain. If your building is in a warm climate, replacing clear glazing with more sophisticated glazing can be done with short paybacks and results in increased comfort for building occupants.

Specify new glazing carefully—you may need to seek a different solution for each façade. Applying specularly selective window films to existing windows may allow you to achieve some of the same benefits of new glazings at a lower cost.

**Install exterior awnings or overhangs.** If strategically placed and operated properly, awnings and overhangs can help you save energy summer and winter, perhaps allowing you to downsize space-conditioning equipment.

### The bottom line

Most all of the conservation measures discussed above represent good investments. Most will not only save money but also enhance both the aesthetics of your office building and the working environment it affords.

# Call the Business Service Center at (502) 627-3313 or (800) 383-5582

*Questions will be answered the same business day, if received by 4 p.m.*

“We’re here just for you!” It’s a phrase that seems trite and overused, but in this case, it’s true.

KU/LG&E has a customer service center exclusively dedicated to business customers. And the reason we built it? To have a dedicated resource committed to partnering in the success of your business by providing high-quality, customized solutions for business customers with specific energy needs.

The Business Service Center (BSC) staff is knowledgeable and these friendly professionals can process requests, such as new service connections, as well as answer energy-related questions.

Other services provided by the BSC include:

- Change of service
- Customized Billing
- Builder, Developer and Property Manager Services
- Billing & Rates Inquiries
- Damage or Outage Reporting
- Summary Billing
- Automatic Bank Club (ABC)
- Energy Conservation

You can also find us on-line if that’s easier for you. Go to [www.lgeenergy.com](http://www.lgeenergy.com) and click “customer service.” There, you can find current rates and tariffs, information about Summary Billing and the Automatic Bank Club, and you can even sign up for a free commercial energy audit.

## ***Easy ways to contact the BSC:***

### **KU Customers—call:**

(859) 367-1200

(800) 383-5582

After hours: (859) 255-0394

### **LG&E Customers—call:**

(502) 627-3313

After hours: (502) 589-3500

### **Hours of Operation:**

7 a.m. to 6 p.m. Mon. - Fri.

**E-Mail:** [bsc@lgeenergy.com](mailto:bsc@lgeenergy.com)

### **Web Site:**

[www.lgeenergy.com](http://www.lgeenergy.com)

(click “customer service,” then choose “business”)

Ranked highest in customer satisfaction.

We say it's because of our people.

Every day the men and women at KU work hard to deliver outstanding value to our customers. It's a simple equation, really. Some of the lowest energy rates in the country. Combined with customer satisfaction that recently received the J.D. Power and Associates Highest Customer Satisfaction with Middle Business Electric Service in the Midwestern U.S. award. And ranked highest among all electric services ranked in the nation. It's what our customers deserve. And it's what we do all about.

Customers first. Energy that lasts. **KU**

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*Energy Partners* is published quarterly by the Marketing Department of LG&E Energy. The purpose of this publication is to inform the commercial clients of LG&E and KU on current affairs of the energy industry, and to heighten awareness of efficiency-based trends and products available to commercial clients.

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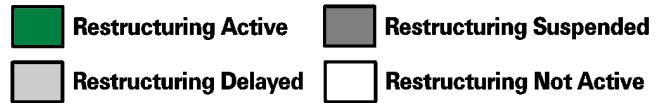
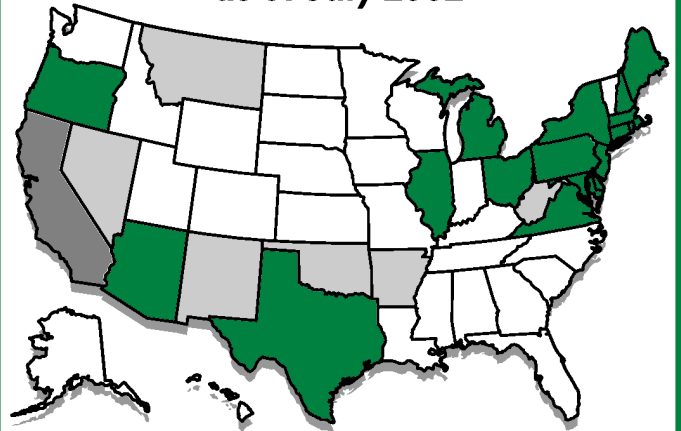
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# Status of State Electric Industry Restructuring Activity

as of July 2002



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