

COMMONWEALTH OF KENTUCKY
BEFORE THE PUBLIC SERVICE COMMISSION

In the Matter of:

ELECTRONIC APPLICATION OF LOUISVILLE)	
GAS AND ELECTRIC COMPANY FOR)	CASE NO.
RENEWAL AND PROPOSED MODIFICATION)	2019-00437
OF ITS PERFORMANCE-BASED)	
RATEMAKING MECHANISM)	

COMMISSION STAFF'S POST-HEARING REQUEST FOR
INFORMATION TO LOUISVILLE GAS AND ELECTRIC COMPANY

Louisville Gas and Electric Company (LG&E), pursuant to 807 KAR 5:001, is to file with the Commission an electronic version of the following information. The information requested herein is due on July 8, 2020. The Commission directs LG&E to the Commission's March 16, 2020 and March 24, 2020 Orders in Case No. 2020-00085¹ regarding filings with the Commission. The Commission expects the original documents to be filed with the Commission within 30 days of the lifting of the current state of emergency. Responses to requests for information in paper medium shall be appropriately bound, tabbed, and indexed. Electronic documents shall be in portable document format (PDF), shall be searchable and shall be appropriately bookmarked.

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

¹ Case No. 2020-00085, *Electronic Emergency Docket Related to the Novel Coronavirus COVID-19* (Ky. PSC Mar. 16, 2020), Order at 5–6. Case No. 2020-00085, *Electronic Emergency Docket Related to the Novel Coronavirus COVID-19* (Ky. PSC Mar. 24, 2020), Order at 1–3.

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.

LG&E 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 LG&E fails or refuses to furnish all or part of the requested information, LG&E 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. When applicable, the requested information shall be separately provided for total company operations and jurisdictional operations. When filing a paper containing personal information, LG&E shall, in accordance with 807 KAR 5:001, Section 4(10), encrypt or redact the paper so that personal information cannot be read.

1. Refer to the table in Appendix A of the report attached to Christopher Murphy's Direct Testimony that is labeled *Summary of Gas Supply Cost Performance-Based Ratemaking Results By PBR Year*. Provide a version of that table that includes the same information for Performance-Based Rate (PBR) Mechanism program year 22 and the preceding 10 program years.

2. Refer to Appendix B of the report attached to J. Clay Murphy's Direct Testimony, which shows the net savings and expense from the PBR Mechanism on a monthly, quarterly, and annual basis for years 19 through 22 of the PBR Mechanism.

a. For each month of years 19 through 22 of the PBR Mechanism, provide the net difference between the monthly benchmark gas commodity costs for Purchases in Excess of Firm Daily Contract Quantities (PEFDCQ), represented by [PEFDCQ x DAI] on page 87.1 of the proposed tariff, and the actual monthly gas costs for PEFDCQ.

b. Provide workpapers in Excel spreadsheet format showing how those amounts were calculated in each month with all rows and columns accessible and formulas unprotected.

c. Explain how LG&E determined the actual monthly gas costs for PEFDCQ to respond to this request.

3. Refer to the table filed as part of LG&E's response to Commission Staff's First Request for Information, Item 7(c), in which LG&E identified volumes of gas that were purchased at prices in excess of the Gas Acquisition Index Factor (GAIF) benchmark for years 19 through 22 of the PBR mechanism.

a. Identify the portions of the "Purchase Volumes in Excess of GAIF Benchmark in MMBtu" represented in that table, based on the same benchmark used to calculate the amounts on the table, that are attributable to PEFDCQ for years 19 through 22 of the PBR Mechanism.

b. For each month in years 19 through 22 of the PBR Mechanism, identify the volume of PEFDCQ in MMBtu that was purchased at a rate above the applicable DAI.

c. For each month in years 19 through 22 of the PBR Mechanism, provide the number of days LG&E arranged for deliveries to its citygate in excess of its firm pipeline entitlements and the extent to which deliveries to its citygate exceeded its firm daily pipeline entitlements in MMBtu in each month.

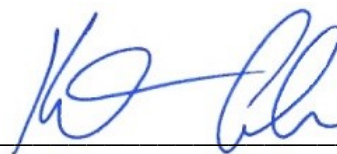
d. Explain how LG&E determined the actual gas costs for PEFDCQ to respond to subparts a and b of this request.

e. For each month in years 19 through 22 of the PBR Mechanism, identify the volume of gas, excluding PEFDCQ, that was obtained at a rate that exceeded the applicable monthly Service Area Index (SAI) rate for the zone and on the pipeline from which the gas was obtained.

4. Provide the change in the net savings and expense that would have occurred in each month of years 19 through 22 of LG&E's PBR Mechanism if the "New York Mercantile Exchange Settled Closing Price" had been included as part of the benchmark for each Supply Area Index (SAI) as proposed in this matter.

5. Explain whether LG&E's PBR mechanism included NYMEX as a benchmark in the past. If so, explain why it is proposing its addition at this time.

6. Provide the total annual expenses for LG&E's gas procurement activities for PBR years 19 through 22 broken down by personnel costs and capital costs.



Kent A. Chandler
Executive Director
Public Service Commission
P.O. Box 615
Frankfort, KY 40602

DATED JUN 29 2020

cc: Parties of Record

Case No. 2019-00437

*Honorable Allyson K Sturgeon
Senior Corporate Attorney
LG&E and KU Energy LLC
220 West Main Street
Louisville, KENTUCKY 40202

*Andrea M. Fackler
Manager, Revenue Requirement
LG&E and KU Energy LLC
220 West Main Street
Louisville, KENTUCKY 40202

*Larry Cook
Assistant Attorney General
Office of the Attorney General Office of Rate
700 Capitol Avenue
Suite 20
Frankfort, KENTUCKY 40601-8204

*J. Michael West
Office of the Attorney General Office of Rate
700 Capitol Avenue
Suite 20
Frankfort, KENTUCKY 40601-8204

*Rick E Lovekamp
Manager - Regulatory Affairs
LG&E and KU Energy LLC
220 West Main Street
Louisville, KENTUCKY 40202

*Louisville Gas and Electric Company
220 W. Main Street
P. O. Box 32010
Louisville, KY 40232-2010