## COMMONWEALTH OF KENTUCKY

## BEFORE THE PUBLIC SERVICE COMMISSION

In the Matter of:

ELECTRONIC APPLICATION OF LOUISVILLE)GAS AND ELECTRIC COMPANY FOR)APPROVAL OF AN AMENDED ENVIRONMENTAL)COMPLIANCE PLAN AND A REVISED)ENVIRONMENTAL SURCHARGE)

CASE NO. 2020-00061

## COMMISSION STAFF'S SECOND 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 within 14 days of the date of this request. The Commission directs LG&E to the Commission's March 16, 2020 and March 24, 2020 Orders in Case No. 2020-00085<sup>1</sup> 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. All responses 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

<sup>&</sup>lt;sup>1</sup> 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 LG&E 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 Direct Testimony of Robert M. Conroy at 10 (Conroy Testimony). Provide the S&P Global Market Intelligence report of major rate case decisions in the first half of 2020.

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a. Explain whether LG&E agrees that the average return on equity (ROE) from the most recent RRA Report is lower than the one cited by LG&E for the 2019 ROE averages.

b. If 1.a. above is confirmed, explain whether LG&E agrees that ROE awards are trending downward and provide support for LG&E's position.

c. Confirm that the RRA reported ROE cited on page 10 of the Conroy Testimony is lower than the quarterly RRA report when LG&E was awarded an ROE of 9.725 percent in Case No. 2018-00295.<sup>2</sup>

2. The most recent Commission awarded ROE for an investor-owned electric utility is 9.25 percent.<sup>3</sup> Provide support for LG&E's proposed ROE of 9.725 percent in comparison to this recent Commission awarded ROE.

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

DATED JUL 31 2020

cc: Parties of Record

<sup>&</sup>lt;sup>2</sup> Case No. 2018-00295, *Electronic Application of Louisville Gas and Electric Company for an Adjustment of its Electric Rates* (Ky. PSC Apr. 30, 2019).

<sup>&</sup>lt;sup>3</sup> See Case No. 2019-00271, Electronic Application of Duke Energy Kentucky, Inc. for 1) an Adjustment of the Electric Rates; 2) Approval of New Tariffs; 3) Approval of Accounting Practices to Establish Regulatory Assets and Liabilities; and 4) All other Required Approvals and Relief (Ky. PSC Apr. 27, 2020), final Order at 46.

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