

**COMMONWEALTH OF KENTUCKY  
BEFORE THE KENTUCKY PUBLIC SERVICE COMMISSION**

In the Matter of:

APPLICATION OF KENTUCKY )  
UTILITIES COMPANY FOR AN ) CASE NO. 2014-00371  
ADJUSTMENT OF ITS ELECTRIC RATES )

**KENTUCKY CABLE TELECOMMUNICATIONS ASSOCIATION'S  
RESPONSES TO  
KENTUCKY UTILITIES COMPANY'S DATA REQUESTS**

**FILED April 6, 2015**

**KENTUCKY CABLE TELECOMMUNICATIONS ASSOCIATION**

**CASE NO. 2014-00371**

**Response to Kentucky Utilities Company's  
Data Requests  
Dated April 6, 2015**

Responding Witness: Randy Hollis

DATA REQUEST NO. 1:

Please explain fully and in detail why KCTA did not move to intervene in Kentucky Public Service Commission Case No. 2012-00221, which is the proceeding in which KU's current Cable Television Attachment Charge was approved by the Commission.

RESPONSE:

KCTA reviewed KU's Application for an Adjustment of Electric Rates in Case No. 2012-00221, but did not notice that KU sought to increase its Cable Television Attachment Charge. It is KCTA's understanding that KU's rates in Case No. 2012-00221, including its pole attachment rates, were settled by the parties to that proceeding. On information and belief, and based on responses by KU to KCTA's data requests, the pole attachment rate settlement was not the subject of any discussion in any hearing before the Commission.

**KENTUCKY CABLE TELECOMMUNICATIONS ASSOCIATION**

**CASE NO. 2014-00371**

**Response to Kentucky Utilities Company's  
Data Requests  
Dated April 6, 2015**

Responding Witness: Randy Hollis

DATA REQUEST NO. 2:

Please confirm that KCTA has intervened in every rate case in which KU has proposed changing a pole attachment rate except Case No. 2012-00221.

RESPONSE:

To the best of KCTA's knowledge, it has intervened in every rate case in which KU has proposed changing a pole attachment rate except for Case No. 2012-00221.

KCTA's Executive Director, Randy Hollis, provided the information to respond to this Request.

**KENTUCKY CABLE TELECOMMUNICATIONS ASSOCIATION**

**CASE NO. 2014-00371**

**Response to Kentucky Utilities Company's  
Data Requests  
Dated April 6, 2015**

Responding Witness: Patricia Kravtin

DATA REQUEST NO. 3:

Please provide all schedules in electronic format with cells intact and all work-papers, source documents, and electronic spreadsheets used in the development of Ms. Kravtin's Direct Testimony. Please provide all spreadsheets in Microsoft Excel with formulas intact.

RESPONSE:

Please see attached files.

**KENTUCKY CABLE TELECOMMUNICATIONS ASSOCIATION**

**CASE NO. 2014-00371**

**Response to Kentucky Utilities Company's  
Data Requests  
Dated April 6, 2015**

Responding Witness: Patricia Kravtin and Counsel

DATA REQUEST NO. 4:

Is Ms. Kravtin aware of Kentucky's statutory establishment of the filed rate doctrine at KRS 278.160(2):

No utility shall charge, demand, collect, or receive from any person a greater or less compensation for any service rendered or to be rendered than that prescribed in its filed schedules, and no person shall receive any service from any utility for a compensation greater or less than that prescribed in such schedules.

RESPONSE:

KCTA objects to this Request to the extent it seeks a legal conclusion. Ms. Kravtin responds that she is aware of KRS 278.160(2) in the context of the filed rate doctrine as it has been applied generically in the economic regulation of industry.

**KENTUCKY CABLE TELECOMMUNICATIONS ASSOCIATION**

**CASE NO. 2014-00371**

**Response to Kentucky Utilities Company's  
Data Requests  
Dated April 6, 2015**

Responding Witness: Patricia Kravtin and Counsel

DATA REQUEST NO. 4(a):

Does Ms. Kravtin agree that the Companies are required to charge, demand, collect, and receive only the pole attachment charges approved by the Commission?

RESPONSE:

KCTA objects to this Request to the extent it seeks a legal conclusion. KCTA further objects to this request because the term "Companies" is not defined. Subject to and without waiving the foregoing objection, Ms. Kravtin responds that she agrees that companies are required to charge pole attachment charges specified in filed tariffs unless those charges are unjust or unreasonable.

**KENTUCKY CABLE TELECOMMUNICATIONS ASSOCIATION**

**CASE NO. 2014-00371**

**Response to Kentucky Utilities Company's  
Data Requests  
Dated April 6, 2015**

Responding Witness: Patricia Kravtin and Counsel

DATA REQUEST NO. 5:

Explain the relevance of her calculation of KCTA's preferred rate CTAC charge based on the test year from KU's 2012 base-rate case (Case No. 2012-00221).

RESPONSE:

KCTA objects to the Request because the undefined term "CTAC" is vague and ambiguous. Subject to and without waiving the foregoing objection, Case No. 2012-00221 resulted in a settlement agreement. The rate approved in that case without apparent scrutiny or discussion, \$9.96, does not follow the Commission's pole attachment rate methodology as established in Administrative Case No. 251. This Commission has previously determined that pole attachment rates that do not follow the rate methodology of Administrative Case No. 251 are not reasonable or lawful. *See KCTA v. S. Central Bell Tel. Co., Inc.*, Case No. 8973, Dec. 21, 1984 Order (denying motion to approve a settlement where the pole attachment rates to which the parties agreed did not follow the Commission's methodology as established in Administrative Case No. 251). A copy of this Order is attached.

**KENTUCKY CABLE TELECOMMUNICATIONS ASSOCIATION**

**CASE NO. 2014-00371**

**Response to Kentucky Utilities Company's  
Data Requests  
Dated April 6, 2015**

Responding Witness: Patricia Kravtin

DATA REQUEST NO. 6(a):

Please see page 34 of Ms. Kravtin's testimony. Does Ms. Kravtin acknowledge that she has no knowledge or evidence of what KU's annual pole-attachment methodology was prior to Administrative Case No. 251?

RESPONSE:

Ms. Kravtin responds that the extent of her knowledge is expressed on pages 33-35 of her direct testimony.



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**CASE NO. 2014-00371**

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Dated April 6, 2015**

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DATA REQUEST NO. 6(b):

Please see page 34 of Ms. Kravtin's testimony. Does Ms. Kravtin therefore further acknowledge that her assertions about KU's pole attachment methodology prior to Case No. 251 are based solely on what Ms. Kravtin believes is "reasonable to assume"?

RESPONSE:

Ms. Kravtin responds that the basis for her testimony regarding KU's pole attachment methodology prior to Case No. 251 is expressed on pages 33-35 of her direct testimony.

**KENTUCKY CABLE TELECOMMUNICATIONS ASSOCIATION**

**CASE NO. 2014-00371**

**Response to Kentucky Utilities Company's  
Data Requests  
Dated April 6, 2015**

Responding Witness: Patricia Kravtin and Counsel

DATA REQUEST NO. 7:

Provide a copy of the direct testimony filed by Ms. Kravtin in the following proceedings:

- a. 2013 – Before the Virginia State Corporation Commission regarding Northern Virginia Electric Cooperative.
- b. 2012 – Before the State of New Hampshire Public Utilities Commission in the Time Warner dispute with Public Service Company of New Hampshire.
- c. 2011 – Before the Public Utilities Commission of Ohio regarding the AEP Ohio proceeding.
- d. 2002 – Before the Federal Energy Regulatory Commission in the Transcontinental Gas Pipeline Corporation proceeding.
- e. 2001 – Before the Federal Energy Regulatory Commission in the Transcontinental Gas Pipeline Corporation proceeding.
- f. 2000 – Before the Federal Energy Regulatory Commission in the Northern Border Pipeline Company.
- g. If not provided in response to item (2) provide any other testimony that was submitted by Ms. Kravtin in a FERC proceeding.

RESPONSE:

KCTA objects to Request 7(g) because it is vague and ambiguous. Subject to and without waiving the foregoing objection, Ms. Kravtin responds that she does not have copies of any direct testimony that was prepared prior to the establishment of her private consulting practice. Please see the attached documents.

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**CASE NO. 2014-00371**

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Dated April 6, 2015**

Responding Witness: Patricia Kravtin

DATA REQUEST NO. 8:

If not provided in response to Question No. 7 above, please provide any other testimony that was submitted by Ms. Kravtin in any proceeding in which she addressed pole attachment charges.

RESPONSE:

Ms. Kravtin has provided testimony, expert reports, and other submissions that are responsive to this Request. Please see documents attached in response to Request No. 7.

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**CASE NO. 2014-00371**

**Response to Kentucky Utilities Company's  
Data Requests  
Dated April 6, 2015**

Responding Witness: Patricia Kravtin

DATA REQUEST NO. 9:

If not provided in response to Question No. 7 above, please provide any other testimony that was submitted by Ms. Kravtin in any proceeding in which she addressed carrying charge calculations.

RESPONSE:

Please see Ms. Kravtin's response to Request No. 8.

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**CASE NO. 2014-00371**

**Response to Kentucky Utilities Company's  
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Responding Witness: Patricia Kravtin

DATA REQUEST NO. 10:

Provide a detailed definition of “minor appurtenances” as used on page 19 of Ms. Kravtin’s Direct Testimony.

RESPONSE:

The Commission has defined “minor appurtenances” as including, but not limited to, “aerial cable clamps and pole top pins.” *See In re The CATV Pole Attachment Tariffs of the Union Light, Heat, and Power Company*, Admin. Case. No. 251-27, July 14, 1983 Order, at 3. A copy of this Order is attached.

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**CASE NO. 2014-00371**

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DATA REQUEST NO. 11:

Provide a list of items that Ms. Kravtin considers to be “minor appurtenances.”

RESPONSE:

Please see Ms. Kravtin's response to Request No. 10.

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**CASE NO. 2014-00371**

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DATA REQUEST NO. 12:

Provide evidence that supports the assumption that “minor appurtenances” represent 15 percent of pole costs on KU’s system.

RESPONSE:

The Commission has held that electric utilities should “deduct the costs of major appurtenances *plus 15 percent for minor appurtenances.*” See *In re The CATV Pole Attachment Tariffs of the Union Light, Heat, and Power Company*, Admin. Case. No. 251-27, July 14, 1983 Order, at 3 (emphasis added). A copy of this Order is attached in response to Request No. 10. Based on the *ULH&P* order, it is the obligation of the utility to rebut the presumption that 15 percent of pole costs consists of minor appurtenances, after an electric utility deducts the costs of major appurtenances. Ms. Kravtin is not aware of any factual rebuttal by KU of this presumption or any analysis by KU of what the costs of minor appurtenances are if not the 15 percent presumed by the Commission.

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**CASE NO. 2014-00371**

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DATA REQUEST NO. 13:

Provide any empirical data or calculations that support the derivation of a 15 percent factor for “minor appurtenances.”

RESPONSE:

Please see the response to Request No. 12.



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**CASE NO. 2014-00371**

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DATA REQUEST NO. 14:

Provide the formulas and the mathematical derivation of the formulas used by Ms. Kravtin to calculate the Sinking Fund Factor and the Income Tax Factor in Attachment 2 of her testimony.

RESPONSE:

Please see the Excel files provided in response to Request No. 2.