

COMMONWEALTH OF KENTUCKY  
BEFORE THE PUBLIC SERVICE COMMISSION

In the Matter of:

JOINT APPLICATION OF LOUISVILLE GAS AND	)	
ELECTRIC COMPANY AND KENTUCKY UTILITIES	)	CASE NO.
COMPANY FOR THE REVIEW AND MODIFICATION	)	2015-00398
OF THE SCHOOL ENERGY MANAGEMENT ROGRAM	)	

COMMISSION STAFF'S FIRST REQUEST FOR INFORMATION TO  
LOUISVILLE GAS AND ELECTRIC COMPANY AND  
KENTUCKY UTILITIES COMPANY

Louisville Gas and Electric Company ("LG&E") and Kentucky Utilities Company ("KU") (jointly, "Companies"), pursuant to 807 KAR 5:001, are to file with the Commission the original in paper medium and an electronic version of the following information. The information requested herein is due within 14 days of the date of this request. Responses to requests for information in paper medium shall be appropriately bound, tabbed and indexed. Each response shall include the name of the witness responsible for responding to 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 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.

The Companies shall make timely amendment to any prior response if they obtain 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 the Companies fail or refuse to furnish all or part of the requested information, the Companies shall provide a written explanation of the specific grounds for their failure to completely and precisely respond.

Careful attention should 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, the Companies 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 Energy Management Program FY2015 Annual Report to Kentucky Utilities ("Report") filed with the Commission on September 11, 2015, by the Kentucky School Boards Association ("KSBA") in compliance with the Commission's Order in Case No. 2013-00067.<sup>1</sup>

a. State whether the demand and energy reductions shown on page 3 of the Report include schools and school districts that are not participating in the School Energy Management Program ("SEMP").

b. Explain why the target 100 percent goal has not been achieved in the KU service territory.

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<sup>1</sup> Case No. 2013-00067, *Joint Application of Louisville Gas and Electric Company and Kentucky Utilities Company for the Review and Approval of a Two-Year Demand-Side Management Program Related to School Energy Management and Associated Cost Recovery* (PSC Ky. Apr. 30, 2013).

c. Refer to page 25 of the Report. The number of participating districts for KU is shown as 53, but 51 districts are listed on page 17 of the Report. Confirm that the number of participating districts is 51 instead of 53, and explain why fewer districts are participating in FY2015 than in FY2014.<sup>2</sup>

d. Explain how funds are distributed among the participating schools and school districts and whether certain projects, schools, or districts have priority.

2. Refer to the Application, page 6, paragraph 8.4. Refer to the Total Resource Cost ("TRC") Test column, which shows that the cost/benefit result for SEMP as a whole, or "Program Total," has a value of 1.00.

a. Provide the TRC Test calculation for the Program Total cost/benefit result.

b. Explain whether the 0.94 TRC cost/benefit result for the Energy Managers component of the SEMP is expected to improve.

3. Refer to the Application, page 7, paragraph 8.6, specifically the Annual Reductions table, and Appendix A. Reconcile the total annual reductions in energy and demand resulting from both Energy Managers and Energy Efficiency Projects ("EE Projects") with the sums of the Companies' energy and demand savings for Energy Managers and EE Projects in Appendix A.

4. Refer to the Application, Appendix B, pages 5 and 7.

a. Explain the differences in the cost/benefit test results for LG&E's and KU's Energy Managers programs, and why the KU results are all less than 1.0.

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<sup>2</sup> Page 11 of the first Energy Management Program Annual Report to Kentucky Utilities Company filed August 15, 2014, in Case No. 2013-00067 provides a list of 53 participating school districts.

b. State whether KU's Energy Managers cost/benefit test results are expected to improve.

5. Refer to the Application, Appendix A; Appendix C, page 6 of 13; and Appendix D, page 6 of 13.

a. The sum of the Total Energy Savings for each company is 4,021,422 kWh, with a total of 8,042,844 kWh for both. Explain why the energy savings is identical for the two companies in calculating the DSM Revenues from Lost Sales.

b. Reconcile these Total Energy Savings with the Energy Savings in Appendix A for the Companies' EE Projects and Energy Managers.

6. a. State whether KSBA has given any indication that the SEMP might be funded in the future by the local school districts that use the energy managers instead of being funded by the Companies' DSM programs.

b. State whether the level of SEMP energy savings is expected to offset the costs of the programs in the future so that they are self-sufficient.



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cc: Parties of Record

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