

COMMONWEALTH OF KENTUCKY  
BEFORE THE PUBLIC SERVICE COMMISSION

In the Matter of:

ELECTRONIC APPLICATION OF KENTUCKY	)	
UTILITIES COMPANY FOR AN ADJUSTMENT OF ITS	)	CASE NO.
ELECTRIC RATES AND FOR CERTIFICATES OF	)	2016-00370
PUBLIC CONVENIENCE AND NECESSITY	)	

ELECTRONIC APPLICATION OF LOUISVILLE GAS AND	)	
ELECTRIC COMPANY FOR AN ADJUSTMENT OF ITS	)	CASE NO.
ELECTRIC AND GAS RATES AND FOR CERTIFICATES	)	2016-00371
OF PUBLIC CONVENIENCE AND NECESSITY	)	

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

Kentucky Utilities Company ("KU") and Louisville Gas and Electric Company ("LG&E") (jointly, "KU/LG&E"), pursuant to 807 KAR 5:001, are to file with the Commission the original with six copies in paper medium and an electronic version of the following information. The information requested herein is due on or before May 26, 2017. 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 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 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.

KU/LG&E 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 KU/LG&E fail or refuse to furnish all or part of the requested information, they shall provide a written explanation of the specific grounds for their 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 filing a paper containing personal information, KU/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. Provide copies of Exhibits 4, 5, and 6 to the April 19, 2017 Stipulation and Recommendation in Excel spreadsheet format.
2. Refer to the Stipulation Testimony of Kent W. Blake, page 9, regarding the "Revised depreciation rates" proposed in the Stipulation.
  - a. Do the revised depreciation rates have a component for negative net salvage value for the steam generation assets?

b. If the answer to Item a. above is affirmative, state whether it is a single common percentage. If not, provide the percentage for each steam generation unit.

c. Explain why the depreciation rates for some assets increased when compared to the as-filed rates.

3. Refer to the Stipulation Testimony of Robert M. Conroy, Exhibit RMC-1. Provide a revised copy of this exhibit in Excel spreadsheet format showing the effect of using a 9.75 percent return on equity in the capital structure.

4. Refer to the April 19, 2017 Stipulation and Recommendation, Exhibit 4, page 21 of 21. Confirm whether the Present TODS Energy rate for the Rate P-12 Public School – Time of Day Secondary is \$0.03572, as provided on page 21, or \$0.03527, as provided on page 8 of this Exhibit. If a correction is needed, state whether the revision will change the amount of the stipulated decrease and whether page 21 of Exhibit 4 and possibly the rates for the proposed two KU pilot school tariffs should be revised and refiled.

5. Refer to KU's response to Commission Staff's Second Request for Information, Items 7, 8, and 9, or LG&E's response to Commission Staff's Second Request for Information, Items 8, 9, and 10. These responses provide the supporting calculations for Tariffs EVSE, EVSE-R, and EVC. Provide revised spreadsheets, in both paper and electronically in Excel spreadsheet format, supporting the rates included in the tariffs filed with the April 19, 2017 Stipulation and Recommendation.

6. Provide the changes that would be made to both the Solar Energy Credit and the Solar Capacity Charge associated with the Solar Share Program using the

agreed-to 9.75 percent return on equity and under each of the corrected cost-of-service studies. The information should be provided in both paper and electronic Excel spreadsheet format.

7. Refer to KU/LG&E's response to Commission Staff's Sixth Request for Information ("Response to Staff's Sixth Request"), Item 1.b., Attachment 3. Provide the same schedule with the following changes:

a. Formula: Calculate the total healthcare/medical insurance expense as follows: Total Healthcare/Medical Cost for Each Level of Coverage = Company-Paid Portion of Premium + Employee Contribution to Premium. Continue to assume that the employee would pay 21 percent of the total cost for single coverage and 32 percent of the total cost for all other types of coverage, compared to the amount of healthcare/medical insurance expense incurred in 2016.

b. Provide the data broken out by:

1. KU jurisdictional operations;
2. LG&E electric operations; and
3. LG&E gas operations.

8. Refer to KU/LG&E's Response to Staff's Sixth Request, Item 1.d., Attachment 6. Provide the same schedule with the following changes:

a. Assume that the employee would pay 60 percent of the total cost of coverage for dental insurance. Continue to calculate the amount as follows: Total Dental Cost for Each Level of Coverage = Company-Paid Portion of Premium + Employee Contribution to Premium.

b. Provide the data broken out by:

1. KU jurisdictional operations;
2. LG&E electric operations; and
3. LG&E gas operations.

9. Refer to KU/LG&E's Response to Staff's Sixth Request, Item 1.e. Provide a schedule that identifies the costs for providing long-term disability insurance premiums by:

- a. KU jurisdictional operations;
- b. LG&E electric operations; and
- c. LG&E gas operations.

10. Refer to KU/LG&E's Response to Staff's Sixth Request, Item 1.f. Provide a schedule that identifies the costs for providing group life insurance coverage in excess of \$50,000 by:

- a. KU jurisdictional operations;
- b. LG&E electric operations; and
- c. LG&E gas operations.

11. Refer to KU/LG&E's Response to Staff's Sixth Request, Item 3.b. and 3.c. Provide a schedule that lists the number of employees who participate in both the Retirement Plan (eligible if hired prior to 1/1/06) and the Savings Plan Company Match and the 401(k) Company Match broken out by:

- a. KU jurisdictional operations;
- b. LG&E electric operations; and
- c. LG&E gas operations

12. Refer to KU/LG&E's Response to Staff's Sixth Request, Item 3.e. and 3.f. Provide a schedule that lists the number of employees who participate in both the Retirement Income Account (eligible if hired or re-hired after 1/1/06) and the Savings Plan Company Match and the 401(k) Company Match broken out by:

- a. KU jurisdictional operations;
- b. LG&E electric operations; and
- c. LG&E gas operations

13. Provide a schedule that breaks out by each retirement plan the percentage of employer and employee contributions for:

- a. KU jurisdictional operations;
- b. LG&E electric operations; and
- c. LG&E gas operations.

14. With regard to the proposed \$27.6 million, 10- to 12-mile Bullitt County gas pipeline project, provide additional information, if any, not otherwise already in the record of this proceeding in compliance with KRS 278.020(1) and 807 KAR 5:001, Section 15(2).

15. Explain whether KU has had a reserve margin of 24 percent or higher in the past 20 years. If so, provide the amount and date(s) when KU's reserve margin was 24 percent or higher and indicate the extent to which it was due to loss of load, the addition of generation, or a combination of both.

16. Explain whether LG&E has had a reserve margin of 24 percent or higher in the past 20 years. If so, provide the amount and date(s) when LG&E's reserve

margin was 24 percent or higher and indicate the extent to which it was due to loss of load, the addition of generation, or a combination of both.

17. Provide the annual turnover percentage of LG&E and KU employees, segregated by company, for the years 2012, 2013, 2014, 2015, and 2016. Segregate the components for each company's total turnover percentage into turnover percentage due to retirement and turnover percentage due to all other reasons. If the turnover percentage due to all other reasons was materially impacted by a non-routine event, segregate that as a separate item in the applicable period.

18. Refer to tables 3.b. & c. and 3.d. & e. in response to Commission Staff's Sixth Request for Information. In the same format and category detail displayed in those tables, for both LG&E and KU, segregated by company, and for the years 2012, 2013, 2014, 2015 and 2016:

a. Provide the number of employees participating only in the Defined Dollar Benefit plan identified as "Retirement Plan – eligible if hired prior to 1/1/06" ("DDB");

b. Provide the number of employees participating in both the DDB plan and the Defined Contribution retirement savings plan identified as the "401(k) Savings Plan Company Match" ("401k");

c. Provide the number of employees participating only in the Defined Contribution Benefit plan identified as "Savings Plan Retirement Income Account (RIA) – eligible if hired on or after 1/1/06";

d. Provide the number of employees participating in both the RIA and the 401k plans.

19. Refer to tables 3.b. & c. and 3.d. & e. in response to Staff's Sixth Request for Information. In the same format and category detail displayed in those tables, for both LG&E and KU, segregated by company, and for the years 2012, 2013, 2014, 2015, and 2016:

a. Provide each company's; 1) total company dollar contribution, 2) company dollar contribution by each employee category, and 3) employee dollar contribution, for employees participating only in the DDB;

b. Provide each company's 1) total company dollar contribution, 2) company dollar contribution by each employee category, and 3) employee dollar contribution and total dollar contribution, for employees participating in both the DDB and the 401k plans.

c. Provide each company's: 1) total company dollar contribution, 2) company dollar contribution by each employee category, and 3) employee dollar contribution, for employees participating only in the RIA;

d. Provide each company's: 1) total company dollar contribution, 2) company dollar contribution by each employee category, and 3) employee dollar contribution and total dollar contribution, for employees participating in both the RIA and the 401k plans.

20. Refer to the April 19, 2017 Stipulation and Recommendation, Section 4.11, Optional Pilot Rates for Schools Subject to KRS 160.325.

a. State whether KU and LG&E would agree to include schools, grades K-12, that are not subject to KRS 160.325 in the Optional Pilot Rates for Schools.



b. If the Optional Pilot Rates for Schools were to be established by tariff as a permanent rate class, state KU's and LG&E's positions on including schools, grades K-12, that are not subject to KRS 160.325 in that rate class.

*Nancy J. Vinsel for*

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DATED MAY 12 2017

cc: Parties of Record

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Case No. 2016-00371

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