

COMMONWEALTH OF KENTUCKY
BEFORE THE PUBLIC SERVICE COMMISSION

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PUBLIC SERVICE
COMMISSION

In The Matter of:

APPLICATION OF LOUISVILLE GAS & ELECTRIC)
COMPANY FOR APPROVAL OF REVISED) CASE NO.
RATES TO BE RECOVERED THROUGH ITS) 2016-00383
GAS LINE TRACKER BEGINNING WITH THE)
FIRST BILLING CYCLE FOR JANUARY, 2017)

ATTORNEY GENERAL'S INITIAL DATA REQUESTS

Comes now the intervenor, the Attorney General of the Commonwealth of Kentucky, by and through his Office of Rate Intervention, and submits these Initial Data Requests to Louisville Gas & Electric Company [LG&E] to be answered by the date specified in the Commission's Order of Procedure, and in accord with the following:

- (1) In each case where a request seeks data provided in response to a staff request, reference to the appropriate request item will be deemed a satisfactory response.
- (2) Please identify the witness who will be prepared to answer questions concerning each request.
- (3) Please repeat the question to which each response is intended to refer. The Office of the Attorney General can provide counsel for LG&E with an electronic version of these questions, upon request.
- (4) These requests shall be deemed continuing so as to require further and supplemental responses if the company receives or generates additional information within the scope of these requests between the time of the response and the time of any hearing conducted hereon.

(5) Each response shall be answered under oath or, for representatives of a public or private corporation or a partnership or association, 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.

(6) If you believe any request appears confusing, please request clarification directly from Counsel for the Office of Attorney General.

(7) To the extent that the specific document, workpaper or information as requested does not exist, but a similar document, workpaper or information does exist, provide the similar document, workpaper, or information.

(8) To the extent that any request may be answered by way of a computer printout, please identify each variable contained in the printout which would not be self-evident to a person not familiar with the printout.

(9) If the company has objections to any request on the grounds that the requested information is proprietary in nature, or for any other reason, please notify the Office of the Attorney General as soon as possible.

(10) As used herein, the words "document" or "documents" are to be construed broadly and shall mean the original of the same (and all non-identical copies or drafts thereof) and if the original is not available, the best copy available. These terms shall include all information recorded in any written, graphic or other tangible form and shall include, without limiting the generality of the foregoing, all reports; memoranda; books or notebooks; written or recorded statements, interviews, affidavits and depositions; all letters or correspondence; telegrams, cables and telex messages; contracts, leases, insurance

policies or other agreements; warnings and caution/hazard notices or labels; mechanical and electronic recordings and all information so stored, or transcripts of such recordings; calendars, appointment books, schedules, agendas and diary entries; notes or memoranda of conversations (telephonic or otherwise), meetings or conferences; legal pleadings and transcripts of legal proceedings; maps, models, charts, diagrams, graphs and other demonstrative materials; financial statements, annual reports, balance sheets and other accounting records; quotations or offers; bulletins, newsletters, pamphlets, brochures and all other similar publications; summaries or compilations of data; deeds, titles, or other instruments of ownership; blueprints and specifications; manuals, guidelines, regulations, procedures, policies and instructional materials of any type; photographs or pictures, film, microfilm and microfiche; videotapes; articles; announcements and notices of any type; surveys, studies, evaluations, tests and all research and development (R&D) materials; newspaper clippings and press releases; time cards, employee schedules or rosters, and other payroll records; cancelled checks, invoices, bills and receipts; and writings of any kind and all other tangible things upon which any handwriting, typing, printing, drawings, representations, graphic matter, magnetic or electrical impulses, or other forms of communication are recorded or produced, including audio and video recordings, computer stored information (whether or not in printout form), computer-readable media or other electronically maintained or transmitted information regardless of the media or format in which they are stored, and all other rough drafts, revised drafts (including all handwritten notes or other marks on the same) and copies of documents as hereinbefore defined by whatever means made.

(11) For any document withheld on the basis of privilege, state the following: date; author; addressee; indicated or blind copies; all persons to whom distributed, shown, or explained; and, the nature and legal basis for the privilege asserted.

(12) In the event any document called for has been destroyed or transferred beyond the control of the company, please state: the identity of the person by whom it was destroyed or transferred, and the person authorizing the destruction or transfer; the time, place, and method of destruction or transfer; and, the reason(s) for its destruction or transfer. If destroyed or disposed of by operation of a retention policy, state the retention policy.

(13) Please provide written responses, together with any and all exhibits pertaining thereto, in one or more bound volumes, separately indexed and tabbed by each response, in compliance with Kentucky Public Service Commission Regulations.

Respectfully submitted,

ANDY BESHEAR
ATTORNEY GENERAL



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Certificate of Service and Filing

Counsel certifies that an original and ten photocopies of the foregoing were served and filed by hand delivery to Dr. Talina R. Mathews, Executive Director, Public Service Commission, 211 Sower Boulevard, Frankfort, Kentucky 40601; counsel further states that true and accurate copies of the foregoing were mailed via First Class U.S. Mail, postage pre-paid, to:

Hon. Allyson K. Sturgeon
Senior Corporate Attorney
LG&E and KU Energy LLC
220 W. Main St.
Louisville, KY 40202

Christopher M. Garrett
Louisville Gas and Electric Company
P. O. Box 32010
Louisville, KY 40202

this 2nd day of December, 2016



Assistant Attorney General

Application of Louisville Gas & Electric Company for Approval
of Revised Gas Line Tracker Rates
Case No. 2016-00383

1. Reference the application, p. 2. Provide a complete explanation for the 30.5% proposed increase in the gas line tracker (GLT) rate for residential gas service as compared with the same rate approved in 2015.
2. Confirm that LG&E over-collected \$0.26 for residential gas service on the GLT during 2015.
3. Confirm that LG&E over-collected \$1.38 for commercial gas service on the GLT during 2015.
4. If the company's proposed increase is approved, confirm that this would represent a 150.2% increase in the GLT rate over the rate approved in 2014.
5. Confirm that in the present case, LG&E seeks a 10% return on equity (ROE).
6. Confirm that in Case Nos. 2016-00026¹ and 2016-00027,² the Commission in its final orders dated August 8, 2016 issued in these two respective cases approved an ROE of 9.8%.
7. Provide an estimated date at which LG&E expects to complete its: (a) gas line program; and (b) leak mitigation program, which includes a mains replacement component.
8. Reference the direct testimony of Chris Hermann in Case No. 2012-00222, p. 18. Confirm that the GLT includes both costs for the gas line program (service lines and risers); and (b) the leak mitigation program (mains).
9. Confirm that at the time testimony was filed in Case No. 2012-00222, LG&E had identified 141 miles of distribution mains yet to be replaced. Provide an update regarding:
 - a. the miles of distribution mains yet to be replaced;
 - b. the miles of any other mains, whether distribution or transportation, yet to be replaced; and
 - c. the scheduled completion date of the leak mitigation program.
 - d. any additional miles of distribution mains added to this program since that estimate.
10. With regard to the company's response to question number 8, above, has the company added any additional mileage of any and all types of mains to the leak

¹ Application of Kentucky Utilities Company For Certificates Of Public Convenience And Necessity And Approval Of Its 2016 Compliance Plan For Recovery By Environmental Surcharge.

² Application of Louisville Gas And Electric Company For Certificates Of Public Convenience And Necessity And Approval Of Its 2016 Compliance Plan For Recovery By Environmental Surcharge.

mitigation program since the project's inception date? If so, provide a complete explanation and the number of miles.

11. Does the leak mitigation program's criteria call for replacement of all mains, including those mains to be replaced in the normal course of business, or only such mains that are known to be leaking?
 - a. Provide copies of all materials setting forth the criteria for identifying mains to be included within the leak mitigation program.
12. Provide an update on the numbers of: (a) service lines; and (b) risers yet to be replaced under the gas line replacement program, together with any update to the scheduled date of the program's completion.
13. Explain why Incremental O&M expense is expected to vary so drastically from month-to-month in 2017, as presented on Exhibit B.
14. Explain why Cost of Removal is expected to increase every month in 2017 as presented in Exhibit B, and provide the date in which the Company expects Cost of Removal to level out. If the company is unable to provide a date, explain why.
15. Explain why Riser Retirements and Reserve Retirements, as presented in Exhibit D, occur only in November.
16. Explain why Services-Risers are retired but Mains and Services-Lines are not.
17. Provide the case number in which the depreciation rates used in Exhibit E were approved.