

COMMONWEALTH OF KENTUCKY  
BEFORE THE PUBLIC SERVICE COMMISSION

In the Matter of:

ELECTRONIC APPLICATION OF KENTUCKY	)	
UTILITIES COMPANY FOR APPROVAL OF	)	CASE NO.
THE TRANSFER OF SUBSTATION	)	2020-00210
FACILITIES TO THE CITY OF	)	
MADISONVILLE, KENTUCKY	)	

COMMISSION STAFF'S INITIAL REQUEST FOR INFORMATION  
TO KENTUCKY UTILITIES COMPANY

Kentucky Utilities Company (KU), 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 on July 31, 2020. The Commission directs KU 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

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<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.

KU shall make timely amendment to any prior response if KU 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 KU fails or refuses to furnish all or part of the requested information, KU 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 filing a paper containing personal information, KU 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 application, page 4. The stated book value for the assets transferred is \$1,241,564.96; however, KU is projected to receive \$900,000 in return.
  - a. Explain how the difference in the book value and receipt will be recorded.
  - b. Explain why KU is not receiving the full value in exchange for the utility assets.
  - c. Explain why KU is of the belief that the sale of the Madisonville substation assets is in the best interest of KU.

d. For the assets listed in the table on page 4, state whether any of the assets have been fully depreciated. If any of the subject assets have not been fully depreciated, provide the undepreciated amount of that particular asset.

e. Describe the impact that the loss on a sale of assets would have on future rates.

2. Explain in detail how the proposed transaction is for a proper purpose and consistent with the public interest.



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Lindsey L. Flora  
Deputy Executive Director  
Public Service Commission  
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DATED JUL 17 2020

cc: Parties of Record

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