

COMMONWEALTH OF KENTUCKY
BEFORE THE PUBLIC SERVICE COMMISSION

In the Matter of:

ELECTRONIC APPLICATION OF KENTUCKY)	
UTILITIES COMPANY AND LOUISVILLE GAS)	
AND ELECTRIC COMPANY FOR CERTIFICATES)	CASE NO.
OF PUBLIC CONVENIENCE AND NECESSITY)	2025-00045
AND SITE COMPATIBILITY CERTIFICATES)	

COMMISSION STAFF'S THIRD 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, LG&E/KU), pursuant to 807 KAR 5:001, shall file with the Commission an electronic version of the following information. The information requested is due on June 6, 2025. The Commission directs LG&E/KU to the Commission's July 22, 2021 Order in Case No. 2020-00085¹ regarding filings with the Commission. Electronic documents shall be in portable document format (PDF), shall be searchable, and shall be appropriately bookmarked.

Each response shall include the question to which the response is made and 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

¹ Case No. 2020-00085, *Electronic Emergency Docket Related to the Novel Coronavirus COVID-19* (Ky. PSC July 22, 2021), Order (in which the Commission ordered that for case filings made on and after March 16, 2020, filers are NOT required to file the original physical copies of the filings required by 807 KAR 5:001, Section 8).

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 KU/LG&E obtains information that indicates the response was incorrect or incomplete when made or, though correct or complete when made, is now incorrect or incomplete in any material respect.

For any request to which KU/LG&E fails or refuses to furnish all or part of the requested information, KU/LG&E shall provide a written explanation of the specific grounds for its failure to completely and precisely respond.

Careful attention shall be given to copied and scanned 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, 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. Refer to Case No. 2024-00326.² Hearing Testimony of Michael Sebourn on May 14, 2025. Provide the presentation(s) prepared to compare actual information to

² Case No. 2024-00326, *Electronic 2024 Joint Integrated Resource Plan of Louisville Gas and Electric Company and Kentucky Utilities Company*.

the forecasted information as well as all work papers used to compile the information in the presentations for the years 2022, 2023, and 2024.

2. Refer to LG&E/KU's Response to Southern Renewable Energy Association's (SREA) Second Request for Information (SREA's Second Request), Item 2(b). Confirm that transmission upgrades were excluded in Stage One of the evaluation as a possible alternative. If not confirmed, explain the response.

3. Refer to LG&E/KU's Response to the Attorney General's Second Request for Information (Attorney General's Second Request), Item 11a.

a. Provide a detailed summary of the lessons learned from the research battery facility installed at the E.W. Brown Generating Station.

b. Provide a summary of how the research battery facility performed during extreme weather events, including but not limited to Winter Storm Elliott.

4. Refer to LG&E/KU's Response to Kentuckians for the Commonwealth, Kentucky Solar Energy Society, Metropolitan Housing Coalition, and Mountain Association's (collectively, Joint Intervenors) Second Request for Information (Joint Intervenors' Second Request), Item 44. Specifically, "[t]he Companies conducted additional cost-effectiveness testing in 2023, which used avoided capacity based on Simple Cycle Combustion Turbine (SCCT) for demand response and avoided capacity based on Natural Gas Combined Cycle (NGCC) for energy efficiency."

a. Explain why, knowing what generation LG&E/KU had proposed to construct next, LG&E/KU used the SCCT in its demand response calculations for avoided capacity costs.

b. Provide a basis for the accuracy and authority of this method of avoided capacity calculation.

5. Refer to LG&E/KU's Response to Commission Staff's Second Request for Information (Staff's Second Request), Item 2.

a. Provide the second least cost portfolio to the chosen portfolio.

b. Explain for the chosen portfolio, why each individual generating unit is considered-least cost, and what alternatives were considered.

6. Refer to LG&E/KU's Response to Staff's Second Request, Item 3, Attachment 1. Refer also to the Direct Testimony of Stuart A. Wilson (Wilson Direct Testimony), Exhibit SAW-1 Table 13, page 34.

a. For Item 3, Attachment 1, explain whether the portfolio on line 40 (No LFC, Mid Gas, Mid CTG, 1,610 MW) corresponds to the 2028 portfolio in Exhibit SAW-1, Table 13.

b. Explain the difference between the full year LOLE of 0.51 (row 40, column O) and the LOLE of 1.07 in Table 13.

7. Refer to LG&E/KU's Response to Staff's Second Request, Item 39. Detail all costs that comprise the fixed O&M for the BESS.

8. Refer to LG&E/KU's Response to Staff's Second Request, Item 47.

a. Provide the completed study in full.

b. If not included in the study, explain how a change in the assumptions regarding the retirement of Mill Creek 2 would affect LG&E/KU's chosen portfolio in this case.

9. Refer to Wilson Direct Testimony, Exhibit SAW-1, Section 6.3.1, Table 17. Provide the stay-open costs, including identifying the specific projects for each unit identified in Table 17.

10. Refer to Wilson Direct Testimony, SAW-1, page 34-35.

a. Explain whether LG&E/KU has the capacity to serve the Campground Data Center without any new additions to generation.

b. Explain whether a denial of a CPCN for the Cane Run BESS in 2028-2029 would impact the ability of LG&E/KU to reliability service Campground Data Center's load.

11. Refer to LG&E/KU's Response to Joint Intervenor's First Request, Item 4. Provide the estimated revenue requirement for the proposed BESS assuming that the ITC credit is not available.

12. Concerning the rate of return on the environmental compliance plan, calculate any true-up adjustment needed to recognize changes in KU cost of debt, preferred stock, accounts receivable financing (if applicable), or changes in KU's jurisdictional capital structure as of May 31, 2025. Include all assumptions and other supporting documentation used to make this calculation. Provide all exhibits and schedules in the response in Excel spreadsheet format, with formulas intact and unprotected and all rows and columns accessible.

13. Explain whether there has been a change in depreciation rates since the last environmental surcharge recovery review case and if that affects the request to amend the environmental compliance plan and corresponding recovery mechanism.³

14. Refer to the Application filed April 30, 2025, in Case No. 2025-00105⁴ (ECR Application). Provide the statutory support for recovery of administrative expenses as part of the surcharge recovery mechanism.

15. Refer to the ECR Application. Confirm that KU will update the depreciation rates in this matter as soon as it files the application in Case No. 2025-00113.⁵ If not confirmed, explain why not.

16. Refer to the ECR Application, Direct Testimony of Phillip Imber (Imber Direct Testimony). Provide an update to the testimony based on federal administrative actions since January 1, 2025.

17. Refer to ECR Application, Imber Direct Testimony, page 7. Explain how the failure to achieve attainment status by the deadline makes it harder to permit economic development projects.

18. Refer to the ECR Application. Confirm that KU will update the requested rate of return once the application in Case No. 2025-00113 is filed. If not confirmed, explain.

³ Case No. 2023-00376, *An Electronic Examination by The Public Service Commission of the Environmental Surcharge Mechanism of Kentucky Utilities for the Six-Month Billing Periods Ending April 30, 2020, October 31, 2020, October 31, 2021, April 30, 2022, October 31, 2022, and October 31, 2023, and for the Two-Year Billing Periods Ending April 30, 2021 and April 30, 2023* (Ky. PSC Aug. 30, 2024).

⁴ Case No. 2025-00105, *Electronic Application of Kentucky Utilities Company for Approval of its 2025 Compliance Plan for Recovery by Environmental Surcharge Plan*.

⁵ Case No. 2025-00113, *Electronic Application of Kentucky Utilities Company for an Adjustment of its Electric Rates and Approval of Certain Regulatory and Accounting Treatments*.

19. Refer to ECR Application. Provide a breakdown in table format of each project currently included in the environmental surcharge.

20. Refer to ECR Application, page 6, paragraph 11. Provide the actual notice costs to date for that case. Consider this an ongoing request.

21. Refer to ECR Application, Direct Testimony of Andrea Fackler (Fackler Direct Testimony), Exhibit AMF-4, page 2. Provide a breakdown of the projected eligible plant for the years 2025 through 2029.

22. Refer to ECR Application, Fackler Direct Testimony, page 7.

a. Explain why KU is not seeking to recovery any other administrative costs related to the ESM.

b. Explain how KU currently recovers its notice costs related to the ESM.

23. Refer to the ECR Application, Fackler Direct Testimony, page 5, FN 6. State what costs related to Project 45 KU can collect for ECR purposes as a component of base rates.

24. Refer to Case No. 2006-00206⁶. Refer also to LG&E/KU's Response to the Attorney General's Second Request, Item 21d and 27a-f and LG&E/KU's Response to Staff's Second Request, Item 14b.

⁶ Case No. 2006-00206, *The Application of Kentucky Utilities Company for A Certificate of Public Convenience And Necessity To Construct A Selective Catalytic Reduction System and Approval of its 2006 Compliance Plan For Recovery by Environmental Surcharge* (Ky. PSC Feb. 28, 2008).

a. Confirm that the SCR for Ghent 2 would have been less expensive⁷ had it been installed at the time approval had been given. If confirmed, explain why the current request is reasonable. If not, confirmed, explain.

b. Confirm that KU evaluated the Ghent 2 SCR construction cost annually as discussed in the April 29, 2008 Order.⁸ If KU performed that analysis, provide the yearly cost benefit analysis for each year from 2008 through 2024. If not confirmed, explain why KU failed to perform the analysis.



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DATED **MAY 23 2025**

cc: Parties of Record

⁷ Case No. 2006-00116, Apr. 29, 2008 Order at 1.

⁸ Case No. 2006-00116, Apr. 29, 2008 Order at 3-4.

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