## COMMONWEALTH OF KENTUCKY BEFORE THE PUBLIC SERVICE COMMISSION

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JUN 15 2007

In the Matter of:

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APPLICATION OF LOUISVILLE GAS AND	)
ELECTRIC COMPANY AND KENTUCKY	)
UTILITIES COMPANY FOR A NEW TARIFF-	) CASE NO. 2007-00192
BROWNFIELD DEVELOPMENT RIDER	)

## REQUEST FOR INFORMATION POSED BY THE ATTORNEY GENERAL

Comes now the intervenor, the Attorney General of the Commonwealth of Kentucky, by and through his Office of Rate Intervention, and submits this Request for Information to Louisville Gas and Electric Company and Kentucky Utilities Company, 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) 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.
- (4) If any request appears confusing, please request clarification directly from the Office of Attorney General.
- (5) 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.

(6) 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.

(7) 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.

(8) 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.

(9) 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.

Respectfully submitted,

GREGORY DASTUMBO

ATTORNEY GENERAL OF KENTUCKY

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## CERTIFICATE OF SERVICE AND NOTICE OF FILING

I hereby give notice that this the 15<sup>th</sup> day of June, 2007, I have filed the original and ten copies of the foregoing Attorney General's Request for Information with the Kentucky Public Service Commission at 211 Sower Boulevard, Frankfort, Kentucky, 40601 and certify that this same day I have served the parties by mailing a true copy of same, postage prepaid, to those listed below.

Honorable Allyson K. Sturgeon Corporate Counsel E.ON U.S. Services, Inc. 220 West Main Street Louisville, Kentucky 40202

Kent W. Blake Vice President State Regulation and Rates E.ON U.S. Services, Inc. 220 West Main Street Louisville, Kentucky 40202

Honorable Michael L. Kurtz Boehm, Kurtz & Lowry 36 East Seventh Street 2110 CBLD Building Cincinnati, OH 45202

Assistant Attorney General

## REQUEST FOR INFORMATION Case No. 2007-00192

- 1. Please reference the Application, page 1, line 18. Other than to promote economic development efforts, reclamation of environmentally contaminated sites and efficient utilization of the Companies' facilities, please list all other reasons for which the company proposes this tariff.
- 2. Please reference the Application, page 1, line 18. Please list any research or studies, of which the Company is aware or which the Company has relied upon in the preparation of this application, which support the Company's assertion that this tariff would have any effect on economic development and/or the reclamation of environmentally contaminated sites. In identifying such research or studies, please include the title of the work, the author, date of publication and, if possible, provide a copy of the work.
- 3. Please list the tariffs or schedule of rates of other electric utility brownfield development riders, or similar offerings, which the company reviewed and/or considered in preparing the application. For those offerings identified, provide a summary of each, which should include the design of same and, if implemented, the overall financial affect on the participants (i.e. rate costs under the offering versus rate costs outside the offering).
- 4. Please reference the Application, page 1, line 18. How do the electrical rates and tariffs offered by Louisville Gas and Electric Company and Kentucky Utility Company to its large commercial and industrial customers compare to those rates and tariffs found in states bordering Kentucky? Please provide such comparison in graphical form.

- 5. Please reference the Application, page 2, line 22. Please explain in detail how the proposed tariff addresses the issue of liability concerning environmentally contaminated sites. Please include any research or studies which the Company reviewed or relied upon in answering this question.
- 6. Please reference the Application, page 3, line 2. Under each applicable rate class, please provide a sample calculation estimating the savings over the proposed five (5) year period which a large commercial customer and/or industrial customer could expect under the proposed tariff. Please use the 500 kW minimum load parameter to calculate these savings and provide all information used to perform the calculation.
- 7. Please reference the Application, page 3, line 2. Please explain in detail the Company's assertion that customers with a 500 kW load parameter or larger provides an economic benefit to the area in which they locate. Please provide any research or studies which the Company reviewed or relied upon in making this assertion.
- 8. Please refer to the Application, page 3, line 13. Based upon the calculations provided in question 6, herein, how long after the end of the five (5) year period would it take for the company to recover any discounts offered under the proposed tariff? Please provide all information used to perform the calculation.
- 9. Please refer to the Application, page 3, line 19. Please explain in detail how the proposed tariff increases the Company's competitiveness and how the proposed tariff benefits other ratepayers?

- 10. Does the Company intend to limit the number of customers participating under the proposed tariff? If so, how many companies will be eligible? If not, then why?
- 11. Does the Company believe that all other ratepayers should subsidize these discounts for the benefit of the few customers participating under the proposed tariff? If so, please explain your response in detail.
- 12. To the extent that the proposed tariff does not cover the incremental costs of the Company, will the Company agree to assign the shareholders such costs and not the Company's other ratepayers? If not, please explain your response in detail.
- 13. Please list the statutory and/or regulatory authority on which the Company bases this proposed tariff.
- 14. Please explain in detail how the Company intends to address any state or local tax implications regarding the discounts proposed under the tariff.
  - A. Does the company intend to charge customer taxes based on the discounted cost of the electricity consumed?
  - B. If so, has the Company obtained approval to do so from the appropriate state and/or local taxing authorities?
  - C. If permission has not been obtained from the appropriate taxing authorities, on what authority does the company rely upon to base any such taxes on the discounted cost?