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Mr. Jeff DeRouen
Executive Director
Kentucky Public Service Commission
211 Sower Boulevard
Frankfort, Kentucky 40602-0615

**Louisville Gas and
Electric Company**
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April 1, 2013

**RE: *Application of Louisville Gas and Electric Company to Implement a
Gas Regulator Inspection Program and Request for Deviation***
Case No. 2012-00491

Dear Mr. DeRouen:

Enclosed please find an original and ten copies of the Response of Louisville Gas and Electric Company to the Commission Staff's First Request for Information dated March 13, 2013, in the above-referenced docket.

Please contact me if you have any questions concerning this filing.

Sincerely,

A handwritten signature in cursive script that reads "Rick Lovekamp".

Rick E. Lovekamp

A handwritten signature in cursive script that reads "by Marty Reiner".

COMMONWEALTH OF KENTUCKY
BEFORE THE PUBLIC SERVICE COMMISSION

In the Matter of:

APPLICATION OF LOUISVILLE GAS AND)
ELECTRIC COMPANY TO IMPLEMENT A GAS) CASE NO.
REGULATOR INSPECTION PROGRAM AND) 2012-00491
REQUEST FOR DEVIATION)

RESPONSE OF
LOUISVILLE GAS AND ELECTRIC COMPANY
TO
COMMISSION STAFF'S
FIRST REQUEST FOR INFORMATION

DATED MARCH 13, 2013

FILED: April 1, 2013

VERIFICATION

COMMONWEALTH OF KENTUCKY)
) SS:
COUNTY OF JEFFERSON)

The undersigned, **Barry Russell Walker**, being duly sworn, deposes and says that he is Director, Gas Storage, Control & Compliance for LG&E and KU Services Company, and that he has personal knowledge of the matters set forth in the responses for which he is identified as the witness, and the answers contained therein are true and correct to the best of his information, knowledge and belief.

Barry Russell Walker

Barry Russell Walker

Subscribed and sworn to before me, a Notary Public in and before said County and State, this 27th day of March 2013.

Rashelle W. Gaines (SEAL)

Notary Public

My Commission Expires:

Feb. 28, 2014

LOUISVILLE GAS AND ELECTRIC COMPANY

Response to Commission Staff's First Request for Information Dated March 13, 2013

Case No. 2012-00491

Question No. 1

Witness: Barry Russell Walker

Q-1. Provide a list of the manufacturer, model, and quantity of each of the different types of regulators LG&E now has in its system.

A-1. The following table lists the manufacturer, model and quantity of regulators serving LG&E residential gas accounts.

Regulator Manufacturer	Regulator Model Number	Installed Regulators
NATIONAL (or predecessor company)	61	31
NATIONAL (or predecessor company)	496	45,406
AMERICAN METER CO.	1803	4
AMERICAN METER CO.	1883	159
AMERICAN METER CO.	1213B	59,746
AMERICAN METER CO.	1813B	254
ITRON (or predecessor company)	B31	50
ITRON (or predecessor company)	B32	1
ITRON (or predecessor company)	B34	2,905
ITRON (or predecessor company)	B35	1
ITRON (or predecessor company)	B42	182,774
FISHER	627	2
FISHER	730	3
FISHER	HSR	2,635
FISHER	S102	1
FISHER	S252	44
FISHER	S302	264
Overall Result		294,280

LOUISVILLE GAS AND ELECTRIC COMPANY

**Response to Commission Staff's
First Request for Information Dated March 13, 2013**

Case No. 2012-00491

Question No. 2

Witness: Barry Russell Walker

- Q-2. Explain whether the manufacturers of the replacement regulators have testing specifications for the regulators. Provide details concerning the specifications (i.e., time interval between testing, etc.).
- A-2. Manufacturers do not have recommended or suggested test specifications for the regulators, such as test intervals, etc.

LOUISVILLE GAS AND ELECTRIC COMPANY

**Response to Commission Staff's
First Request for Information Dated March 13, 2013**

Case No. 2012-00491

Question No. 3

Witness: Barry Russell Walker

- Q-3. Refer to the Louisville Gas & Electric Gas Meter Performance Control Program, Attachment 1 to LG&E's November 9, 2012 application. Provide additional details of how the regulator sampling program will work. The explanation should include whether the samples being tested are in the same quantities as the Meter Sampling program, as well as Test Criteria, Control Group Sampling, and Sample Sizes.
- A-3. See Attached Residential Gas Regulator Performance Control Program. When a meter serving a residential account is tested under the Gas Meter Performance Control Program, the associated regulator will also be tested if one is present. Since some meters do not have an associated regulator, less regulators than meters in total will be tested. However, the number of samples tested for a given sized control group may be larger in the Residential Gas Regulator Performance Control Program than in the Gas Meter Performance Control Program. When this occurs, the accept/reject levels will be adjusted accordingly. In the event the number of samples tested for a given sized control group is smaller in the Residential Gas Regulator Performance Control Program than in the Gas Meter Performance Control Program, data from future years will be used to complete the evaluation. Details are explained further in the Residential Gas Regulator Performance Control Program. The test criteria for the regulators will be that the regulator will be considered "passed" if the regulator has positive shut off and does not allow the downstream pressure to climb above the appropriate level during a regulator lock up test.

**LOUISVILLE GAS AND ELECTRIC COMPANY
RESIDENTIAL GAS REGULATOR
PERFORMANCE CONTROL PROGRAM**

Introduction

Louisville Gas and Electric Company's Residential Gas Regulator Performance Control Program is a procedure designed to provide a continuous high level of performance of gas regulators while controlling inspection and replacement costs.

General Description of Program

LG&E's Residential Gas Regulator Performance Control Program leverages LG&E's Gas Meter Performance Control Program to test the protective capability of all classes of residential regulators. Under Performance Control, LG&E's residential gas regulator population will be classified into homogeneous control groups representing like regulators. A control group would be subject to random sample testing during LG&E's Gas Meter Performance Control Program activities. Specifically, when a meter serving a residential account is tested under the Gas Meter Performance Control Program, the associated regulator will also be tested if one is present.

Sampling Criteria

Sample sizes and reject levels will be established by the following table:

Control Group Size	Sample Size	Accept Failure Level	Reject Failure Level
1	1	0	1
2-15	2	0	1
16 - 50	8	1	2
51 - 90	13	2	3
91 - 150	20	3	4
151 - 280	32	5	6
281 - 500	50	7	8
501 - 1,200	80	10	11
1,201 - 3,200	125	14	15
3,201 or more	200	21	22

Table 1: Sample Sizes and Reject Levels

The results of each year's random sample tests of residential regulators conducted during LG&E's Gas Meter Performance Control Program activities will be evaluated using Table 1 above.

If a particular sample size is larger than necessary for the control group, the accept failure level and reject failure level will be adjusted on a percentage basis. An example of this is shown in Table 2.

Control Group Size	Defined Sample Size	Defined Reject Failure Level	Actual Sample Size	Percentage of Actual to Defined Sample Size	New Reject Failure Level
151 - 280	32	6	59	184%	11

Table 2: Example Adjusted Reject Failure Level

If a particular sample size gathered in a single year is less than required for a given control group, the test period for that control group will be extended annually until an adequate sample size is gathered or up to 10 years, whichever comes first. If after 10 years an adequate sample size has not been tested, action will be taken in the next year to test regulators from within the control group to acquire an adequate sampling. The requirements of the Gas Meter Performance Control Program will ensure this will be a minimal number of occurrences.

Test Criteria

Each regulator tested as part of this program will be considered “passed” if the regulator has positive shut off and does not allow the downstream pressure to climb above the appropriate level during a regulator lock up test. Each regulator tested as part of this program will be considered “failed” if the regulator does not have positive shut off and does allow the downstream pressure to climb above the appropriate level during a regulator lock up test.

Test Exclusion

Regulators shall be excluded from the sample if damage not associated with normal operating conditions has artificially altered how the regulator was actually performing while in service.

Rejected Control Groups

When a control group is classified as “rejected” and a poor performing sub-group can be identified for separation from the original control group, this may be done. Regulators within the rejected control group, or rejected sub-group if applicable, will be removed from service.

LOUISVILLE GAS AND ELECTRIC COMPANY

**Response to Commission Staff's
First Request for Information Dated March 13, 2013**

Case No. 2012-00491

Question No. 4

Witness: Barry Russell Walker

- Q-4. In addition to the information regarding regulator performance and the repairs made to existing or new regulators included in the Gas Meter Performance Control Program and Regulator Inspection and Replacement annual reports, state whether LG&E has written documentation for the Regulator Sampling Program similar to LG&E's Gas Meter Performance Control Program. If yes, provide copies.
- A-4. Yes. See Residential Gas Regulator Performance Control Program provided in response to Question No. 3.