

COMMONWEALTH OF KENTUCKY  
BEFORE THE PUBLIC SERVICE COMMISSION

In the Matter of:

ELECTRONIC APPLICATION OF KENTUCKY	)	
UTILITIES COMPANY FOR AN ORDER	)	CASE NO.
AUTHORIZING THE ISSUANCE OF	)	2020-00109
INDEBTEDNESS	)	

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 May 11, 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 association or a governmental agency, be accompanied by a signed certification of the

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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.

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 applicable, the requested information shall be separately provided for total company operations and jurisdictional operations. 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, paragraph 8, in which KU notes it has been working toward the refunding and replacement of the Series B First Mortgage Bonds authorized in Case No. 2019-00242,<sup>2</sup> but refunding and replacement has become administratively and legally problematic for the foreseeable future due to the closing of courthouses and County Clerk offices from the COVID-19 pandemic.

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<sup>2</sup> Case No. 2019-00242 *Electronic Application of Kentucky Utilites Company for an Order Authorizing the Issuance of Securites and Assumption of Obligations*, (Ky. PSC Sep. 11, 2019).

a. Describe what actions KU made toward the refunding and replacement of the Series B First Mortgage Bonds.

b. Define “the foreseeable future.”

c. With the recent announcement of the reopening of the state via a phased-in approach, explain whether KU believes that the constraints surrounding the recording of documents at courthouse and County Clerk offices will lessen.

2. Refer to the application, paragraph 10. For the anticipated amounts of arrearages,

a. Provide KU’s plan for payment plans for reimbursements of arrearages.

b. For those who have arrearages, provide the anticipated percent that KU believes will participate in a payment plan.

3. Refer to the application, paragraph 13. If KU enters into Intermediate Term Financing,

a. Provide the length of time KU anticipates before the Intermediate Term Financing is rolled over into Long-Term Financing such as First Mortgage Bonds.

b. Provide the advantages and disadvantages of Intermediate Term Financing.

c. Explain how KU determines the costs and benefits associated with Intermediate Term Financing.

4. Explain how the issuance of First Mortgage Bonds and short-term debt for which approval is sought herein will affect KU’s equity position.

5. Explain whether and, if so, how KU contends that the issuance of the First Mortgage Bonds and short-term debt for which approval is sought herein will affect KU's credit rating.

6. Describe the interest rates that KU anticipates receiving on the variable-rate and fixed-rate First Mortgage Bonds and explain the bases for those anticipated interest rates.

7. Describe the interest rates that KU anticipates receiving on the short-term debt, and explain the bases for those anticipated interest rates.

8. For KU company-wide, provide a list of expenses and savings that are COVID-19 related.



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Kent A. Chandler  
Executive Director  
Public Service Commission  
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DATED     MAY 01 2020    

cc: Parties of Record

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