

COMMONWEALTH OF KENTUCKY
BEFORE THE PUBLIC SERVICE COMMISSION

In the Matter of:

JOINT APPLICATION OF LOUISVILLE GAS)
AND ELECTRIC COMPANY AND KENTUCKY)
UTILITIES COMPANY FOR REVIEW,) CASE NO: 2014-00003
MODIFICATION, AND CONTINUATION OF)
EXISTING, AND ADDITION OF NEW,)
DEMAND-SIDE MANAGEMENT AND ENERGY)
EFFICIENCY PROGRAMS)

ATTORNEY GENERAL'S SUPPLEMENTAL DATA REQUESTS

Comes now the intervenor, the Attorney General of the Commonwealth of Kentucky, by and through his Office of Rate Intervention, and submits these Supplemental Data Requests for Information to Louisville Gas & Electric Co.[“LG&E’] and Kentucky Utilities Co. [“KU”] (hereinafter referred to as “Joint Applicants”) to be answered by the date specified in the Commission’s Order of Procedure, and in accord with the following instructions:

- (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(es) who will be prepared to answer questions concerning each request.

(3) Please repeat the question to which each response is intended to refer. The Office of the Attorney General can provide counsel for Joint Applicants with an electronic version of these data requests, upon request.

(4) 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.

(5) Each response shall be answered under oath or, for representatives of a public or private corporation or a partnership or association, be accompanied by a signed certification of the preparer or 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.

(6) If you believe any request appears confusing, please request clarification directly from Counsel for the Office of Attorney General.

(7) 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.

(8) 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.

(9) 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.

(10) As used herein, the words "document" or "documents" are to be construed broadly and shall mean the original of the same (and all non-identical copies or drafts thereof) and if the original is not available, the best copy available. These terms shall include all information recorded in any written, graphic or other tangible form and shall include, without limiting the generality of the foregoing, all reports; memoranda; books or notebooks; written or recorded statements, interviews, affidavits and depositions; all letters or correspondence; telegrams, cables and telex messages; contracts, leases, insurance policies or other agreements; warnings and caution/hazard notices or labels; mechanical and electronic recordings and all information so stored, or transcripts of such recordings; calendars, appointment books, schedules, agendas and diary entries; notes or memoranda of conversations (telephonic or otherwise), meetings or conferences; legal pleadings and transcripts of legal proceedings; maps, models, charts, diagrams, graphs and other demonstrative materials; financial statements, annual reports, balance sheets and other accounting records; quotations or offers; bulletins, newsletters, pamphlets, brochures and all other similar publications; summaries or compilations of data; deeds, titles, or other instruments of ownership; blueprints and specifications; manuals, guidelines, regulations, procedures, policies and instructional materials of any type; photographs or pictures, film, microfilm and microfiche; videotapes; articles; announcements and notices of any type; surveys,

studies, evaluations, tests and all research and development (R&D) materials; newspaper clippings and press releases; time cards, employee schedules or rosters, and other payroll records; cancelled checks, invoices, bills and receipts; and writings of any kind and all other tangible things upon which any handwriting, typing, printing, drawings, representations, graphic matter, magnetic or electrical impulses, or other forms of communication are recorded or produced, including audio and video recordings, computer stored information (whether or not in printout form), computer-readable media or other electronically maintained or transmitted information, and all other rough drafts, revised drafts (including all handwritten notes or other marks on the same) and copies of documents as hereinbefore defined by whatever means made.

(11) 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.

(12) 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.

(13) Please provide written responses, together with any and all exhibits pertaining thereto, in one or more bound volumes, separately indexed and tabbed by each response, in compliance with Kentucky Public Service Commission Regulations.

(14) The Attorney General reserves the right to pose additional preliminary data requests on or before the due date specified in the Commission's procedural schedule.

Respectfully submitted,
JACK CONWAY
ATTORNEY GENERAL

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Certificate of Service and Filing

Counsel certifies that the foregoing is a true and accurate copy of the same document being filed in paper medium; that the electronic filing has been transmitted to the Commission on March 19, 2014; that there are currently no parties that the Commission has excused from participation by electronic means in this proceeding; and that an original and one copy in paper medium of the foregoing is being filed with the Commission on March 19, 2014.

I further certify that in accordance with 807 KAR 5:001, § 4 (8), the foregoing is being contemporaneously provided via electronic mail to:

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this 19th day of March, 2014.

/s/ _____
Assistant Attorney General

Attorney General's Supplemental Data Requests
Joint Application of LG&E and KU for Review, Modification, and
Continuation of Existing, and Addition of New, Demand-Side
Management and Energy Efficiency Programs
Case No. 2014-00003

1. Please provide the monthly yields on ten-year Treasury bonds from January, 2010 until the present.
2. Provide the authorized ROEs for electric utility companies in all rate cases from January 1, 2010 until the present. For each rate case, please provide the following: utility name, state, docket number, decision date, the authorized ROE, the authorized common equity ratio, any ROE adders included in the authorized ROE, and whether the case was settled or fully litigated.
3. Please answer the following questions in regard to the energy savings associated with the DSM programs requested in this application:
 - a. Please advise whether the total amount of the actual energy savings attributable to the existing DSM programs are included in the Companies' load forecast planning. If not, explain why not, and how the energy savings are treated differently;
 - b. Please advise whether the total amount of projected savings attributable to the requested DSM programs (whether they presently exist, are intended to be modified, or new programs) are included in the Companies' load forecast planning. If not, explain why not and how the energy savings are treated differently;
 - c. Please advise whether the total amount of the actual energy savings attributable to the existing DSM programs: (i) are reflected in Case No. 2014-00002, and if so, where; and
 - d. Please advise whether the total amount of projected savings attributable to the requested DSM programs (whether they presently exist, are intended to be modified, or new programs) are or will be included in the load forecast(s) which will be set forth in the Companies' IRP case, which the Companies indicated will be filed in April, 2014.
4. Reference the Companies' Response to AG 1-6. The Companies responded that "the addition of one employee for Advanced Metering Systems at the fully burdened annual cost of \$162,445, which includes salary and benefits." Please provide a specific breakdown of the \$162,445 annual cost of the salary and benefits.

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5. Please reference the Companies' Response to AG 1-12. The Companies responded that "if the Commission deems AMS to be a prudent utility investment, the Companies' DSM rate should afford the Companies the opportunity to recover their full AMS investment and a reasonable rate of return on deployed capital." However, the Companies' Response to AG 1-10 asserts that "unlike other DSM programs that deploy measures with reasonably predictable energy or demand savings, the customers who receive the advanced meters will dictate entirely the degree of savings in ways the Companies cannot reasonably foresee." Further, the Companies' Response to AG 1-7 advises that "the study showed that even with increased savings in these smaller geographic areas, it may still be insufficient to offset the AMS costs." Finally, per the Companies' Response to AG 1-24 the forecasted costs for the Advanced Metering Systems for 2015-2018 is \$5,709,215.
 - a. After reviewing the prior statements please explain in detail how the Advanced Metering System is a "prudent" investment that should be implemented under the DSM/EE programs and paid for exclusively by the ratepayers instead of the Companies' shareholders.
 - b. Please explain how the ratepayers will directly benefit, if at all, from the Advanced Metering System being approved as a DSM/EE program.
 - c. Would the Companies consider reducing the requested budget concerning the Advanced Metering Systems proposal since the Companies admit that it cannot "reasonably foresee" potential energy or demand savings by implementing the AMS program, and that even if there are potential savings, it may be insufficient to offset the AMS costs?
6. Please reference the Companies' Response to AG 1-24. Provide a specific breakdown of all costs that are included in the forecast for the Advanced Metering Systems for each year from 2015 through 2018.
7. Reference the Companies' Response to AG 1-7 where the Companies assert "operational savings may result from potential elimination of manual meter reading and automated reporting of outage events. The potential for future automated disconnection/reconnection may also create savings. These additional services provided by the deployment of advanced meters may increase savings the Companies can achieve." If the Advanced Metering Systems program were to result in any savings to the Companies, would the savings then be used to off-set the AMS program costs? Please confirm either yes or no.

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8. Please reference the Companies' Response to AG 1-8 wherein the Companies responded that "customers will not be able to access AMS data in real time. Rather, they will be able to access prior days' hourly usage within 48 hours. i.e., by the end of day 3 a customer will have access to day - 1 hourly usage."
 - a. Do the Companies admit that due to the long delay in customers' ability to access the Advanced Metering Systems' usage data, this delay will in turn significantly hinder any potential energy savings?
 - b. Are the Companies aware of any Advanced Metering System that is capable of producing real time usage data, or has less of a delay to obtain the usage data?
9. Please reference the Companies' Response to AG 1-16. The AG requested a detailed answer of the proposal to reduce the small commercial program goals. Per the Companies' response "the small commercial program will continue to be available to customers just as it has historically been available. Customers enrolled will still be eligible for incentives and eligible customers can continue to enroll." Please specify in detail exactly how the Joint Applicants propose to reduce the small commercial program goals.
10. Refer to the Companies' Response to AG 1-16, wherein the Companies responded that "due to the success of the large commercial program in the short timeframe, more focus will be placed on the large commercial program." Please specify in detail how the Companies intend to focus more on the large commercial program as contrasted with the small commercial program.

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11. Please reference the Companies' response to AG 1-2. Provide in the table format specified below, the following information in order to garner the actual proposed DSM/Energy Charge bill increase for the average use customer: (a) the current bill impact for the true average use customer broken down between KU electric, LG&E electric, and LG&E gas which should include the average monthly usage, current DSM/Energy Charge, and the current monthly bill impact for the average usage, and (b) the proposed bill impact for the true average use customer broken down between KU electric, LG&E electric, and LG&E gas that should include the average monthly usage, proposed DSM/Energy Charge, and the proposed monthly bill impact for the average usage.

	Current Monthly DSM Bill Impact \$	Proposed Monthly Bill Impact \$
KU Electric (1,229 kwh)		
LG&E Electric (997 kwh)		
LG&E Gas (60 Ccf)		

12. Reference the Navigant report attached to the Companies' response to PSC 1-24, p. 7 of wherein it is stated: "Going forward, Navigant recommends establishing internal review metrics and Quality Control (QC) mechanisms for the information stored within the recently launched EE OPS Database. A systematic QC review of the database on a regular basis is imperative to ensure that missing or incomplete records are minimized, and that data is represented accurately/consistently. It should be noted that this process is currently being developed by LG&E/KU."
- a. What internal review metrics were established for the EE OPS database? Please discuss.
 - b. What quality control mechanisms were established for the EE OPS database? Please discuss.
 - c. Please provide a copy of the latest quality control review of the EE OPS database, and provide a discussion regarding the findings of that review.

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- d. As a result of the latest quality control review, were any missing or incomplete records discovered? If so, discuss the ramifications, if any.
 - e. Provide an update on the status of this process since the date this report was issued.
13. Reference the Navigant report attached to the Companies' response to PSC 1-24, p. 8 of 13, regarding the residential conservation program, wherein it is stated: "Navigant recommends enhancements to information collection, including full home characteristics, participation and non-participant survey data in order to track and understand reasons for dropouts, and integrated QC tools - LG&E/KU has expanded their online audit tool to capture additional home data - LG&E/KU is currently examining the feasibility of investigating reasons for participant dropout as a supplement to their new customer surveys - LG&E/KU also expanded their program to include QC components for field data recording."
- a. What, if any, enhancements to information collection were or have been made since the date this study was issued?
 - b. If enhancements were made, did they include gathering full home characteristics, participation and non-participant survey data?
 - c. Did the enhancements include integrated QC tools? If so, please discuss in detail.
 - d. Describe how the Companies investigate reasons for participant dropout. Please discuss in detail.
 - e. Describe the measures the Companies took to regarding QC components for field data recording. Please discuss in detail.

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14. Reference the Navigant report attached to the Companies' response to PSC 1-24, p. 9 of 13, regarding load management / demand conservation, wherein it is stated: "LG&E/KU has recently initiated a M&V project supported by EE OPS data capturing enhancements that will facilitate the understanding of these factors."
 - a. Describe the results of the measurement and evaluation project. Please discuss in detail.
15. Reference the Navigant report attached to the Companies' response to PSC 1-24, p. 10 of 13, regarding load management / demand conservation, wherein it is stated: "LG&E/KU is currently investigating the incorporation of distribution data at a feeder circuit level that would allow the program to analyze load at a more granular level rather than entire system load. This would facilitate statistically significant analyses."
 - a. Describe the results and conclusions of the investigation.
 - b. Has the company initiated any feeder circuit-level programs? If so: (i) please describe the results; and (ii) have they provided a greater statistically significant analysis than examining the data from the entire system level?
16. Reference the Navigant report attached to the Companies' response to PSC 1-24, p. 11 of 13, regarding the WeCare program, wherein it is stated: "LG&E/KU is also currently investigating the feasibility of other options to enhance the programs savings potential within each tier."
 - a. Describe the results and conclusions of this investigation.
 - b. Has the company initiated any such other options to enhance the program savings potential within each tier? If so, please describe in detail.
17. Reference the Navigant report attached to the Companies' response to PSC 1-24, p. 11 of 13, regarding the WeCare program, wherein it is stated: "Navigant recommends enhanced program tracking in order to provide insight into the low realization rates found by this evaluation. Navigant and LG&E/KU are investigating the feasibility of this option and potential overlapping efforts in the region that may be responsible for lower than expected savings. For example, the

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program may examine better coordination with other low income/housing groups such as CAC and MHC."

- a. Have the Companies engaged in any enhanced program tracking since the date of this report? If so, please describe in detail.
 - b. Have the Companies examined better coordination with CAC and MHC? If so, please describe the results, any recommendations, and any future plans to pursue better coordination.
18. Reference the Navigant report attached to the Companies' response to PSC 1-24, p. 12 of 13, regarding the WeCare program, wherein it is stated: "LG&E/KU has implemented database improvements through the EE OPS database effort. Improvements include further standardization of energy conservation measures (ECMs)."
- a. Have the Companies implemented any of the other Navigant recommendations provided under this bullet point? If so, please describe in detail. If not, why not?
19. Reference the Navigant report attached to the Companies' response to PSC 1-24, p. 12 of 13, regarding the WeCare program. Of the remaining Navigant recommendations, please discuss as follows:
- a. Have the companies implemented any one or more of these recommendations?
 - b. If so, please identify them and discuss each one in detail.
 - c. If not, why not?
20. Reference the response to PSC 1-24, attachment 2, p. 9 of 76, wherein it is stated: "With their Residential Conservation/Home Energy Performance and Low Income Weatherization (WeCare) programs, the Companies should continue to leverage federal and statewide resources, where applicable, in order to maximize available funding and supplement existing program participation."
- a. Have the Companies identified any such additional federal or statewide resources?