

COMMONWEALTH OF KENTUCKY  
BEFORE THE PUBLIC SERVICE COMMISSION

In the Matter of:

APPLICATION OF KENTUCKY UTILITIES )  
COMPANY FOR AN ADJUSTMENT OF ITS )  
ELECTRIC RATES )

CASE NO.  
2014-00371

**LEXINGTON-FAYETTE URBAN COUNTY  
GOVERNMENT'S REQUEST FOR INFORMATION  
TO THE KENTUCKY UTILITIES COMPANY**

Comes now the Lexington-Fayette Urban County Government (the "LFUCG"), by counsel and pursuant to the Public Service Commission's Scheduling Order of December 12, 2014, and submits its Request for Information to the Kentucky Utilities Company ("KU") to be answered 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 company 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 counsel for the LFUCG.

(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 that 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 counsel for the LFUCG 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 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.

WHEREFORE, the Lexington-Fayette Urban County Government submits this First Request for Information.

Respectfully submitted,

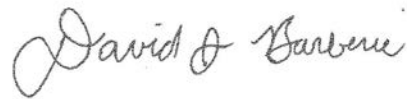


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**FILING NOTICE AND CERTIFICATE**

I hereby certify that this Request for Information is a true and accurate copy of the document(s) to be filed in paper medium with the Public Service Commission (which include a cover letter serving as the required Read1st document) within two (2) business days; that the electronic submission of these documents to the Commission was performed on January 7, 2015; and that there are currently no parties that have been excused from participation by electronic service.



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ATTORNEY FOR LEXINGTON-FAYETTE  
URBAN COUNTY GOVERNMENT

## **REQUEST FOR INFORMATION**

1. How many different types of customer rate classes does the LFUCG currently make payments to KU under? For each type of class, please provide the following information:

- (a) The type of customer rate class;
- (b) The number of LFUCG accounts in each such class;
- (c) The total amount paid by the LFUCG for each such class during the last 12 month period; and
- (d) The total net projected impact for each such class under the proposed rate increase.

2. For each separate LFUCG account please provide a detailed analysis showing the impact of the proposed rate versus the existing rate using the most recent 12 month actual usage and billing data. Please also provide a detailed explanation of the formula that was used to obtain this information.

3. Can KU's ratepayers expect any enhancement over the current existing level of service as a result of the proposed rate increase? If so, please provide a detailed response that includes the specific benefit or benefits to be provided to each particular customer rate class.

(a) More specifically, will the LFUCG obtain any additional benefit or benefits (level of maintenance or otherwise) as a result of the proposed increase? If so, please provide a detailed response that includes the specific benefit or benefits to be provided to each particular customer rate class.

4. Does KU have an estimate or general or specific information on how much revenue is derived from Fayette County customers? If so, please provide by customer class for each of the last 3 years as well as a comparison of the percentage of revenue that this constitutes in relation to all revenues

5. How many additional customers (and of which particular customer rate class) does KU anticipate adding within Fayette County over the next 5 years? What is the anticipated level of additional revenue to KU as result of the addition of these customers?

6. Does the LFUCG's franchise fee apply to all tariffs for services provided in Fayette County? If not please identify each tariff for which the franchise fee does not apply.

7. Please provide the total number of utility poles KU has in Fayette County and the number of these poles that are located in the public rights-of-way.

8. Does KU derive any rental or other income related to the use of or attachment to utility poles or other fixtures located within the public right-of-way? If so, please provide a detailed breakdown of the annual rents or other income received from any third parties attributable to these types of properties. If possible, further provide a breakdown within Fayette County, Kentucky.

a. Is this income considered revenue by KU; and if so, how is it allocated?

9. Would KU be amenable to a proposal from LFUCG as to newly installed street lights which would provide for either: (a) lights purchased, owned and maintained by LFUCG, or (b) lights purchased and owned by LFUCG but maintained by KU?

10. Would KU be amenable to a proposal from LFUCG to acquire its existing street lights?

11. Please provide the number (quantity), rate type, type description, and location (by street address) of each street light located in Fayette County, Kentucky for which the LFUCG currently pays a monthly tariff.

12. What is the cost to KU (per unit) of obtaining each type of street light?

13. How many new public street lights were installed in Fayette County for each of the last 3 years? Please also indicate the types of lights installed and the number of these lights which replaced previously existing street lights.

14. Please provide both the number and type of public street lights in Fayette County for which service or maintenance was performed in each of the last 3 years and the same information system-wide.

a. Please provide the basis for generating the above repair or maintenance order (i.e., referral from 311, customer complaint, KU for each of the above,.

15. How many existing street lights are scheduled (or anticipated) to be replaced by KU in Fayette County over the next 5 years for which the LFUCG currently and/or in the future will pay a monthly tariff? Please provide the quantity of each type of light being removed and the quantity and type of light that will replace it.

16. Please explain in detail KU's current policies, procedures, practices, and/or guidelines for maintaining street lights in Fayette County and provide copies of the same.

(a) Does KU regularly inspect individual street lights or the collective street lighting in Fayette County? Do these inspections take place only upon the receipt by KU of a complaint regarding a particular street light?

(b) What is the average response time to replace a non-working street light in Fayette County?

(c) Does this information differ depending upon the type of street light? If so, please provide a detailed explanation.

18. Please describe in detail all maintenance that must be performed by KU on each type of street light to ensure that it operates properly and provide a list of each element of the required maintenance and its monthly cost.

19. Is KU able to ascertain, at any given time, the number of street lights in Fayette County that are actually in proper working order? If so, please provide a detailed explanation, and further explain:

(a) How many street lights (on average) are actually in proper working order at any given time;

(b) Whether the LFUCG is charged the monthly tariff rate for non-working street lights for the periods of time within which such street lights are non-operational or not working properly;

(c) The amount of time it takes (on average) to bring such street lights into working order; and

(d) Whether this information differs among different types of street lights. If so, please provide this information for each type of light.

20. How was KU's proposed monthly rate for each type of street light determined?

(a) Please describe in detail each element of the proposed monthly rate for each type of street light (fixed costs, energy costs, maintenance costs, etc.), including the percentage of the rate attributable to each element.

(b) Does the number of existing street lights influence the proposed monthly rate for each type of street light (e.g. is there any use of a weighted average cost)?

(c) Does this differ from the existing rate elements? If so, in what regard?

(d) What percentage of KU's proposed monthly rate for each type of street light is comprised of maintenance?

(e) What percentage of KU's proposed monthly rate for each type of street light is comprised of costs associated with acquiring or installing the street light? Please provide this information for each type of street light for which the LFUCG currently pays a monthly tariff.

21. What depreciable life basis (if any) for each type of street light does KU utilize? Is this the standard industry basis?

22. Does the LFUCG continue to pay for KU's cost of installing or acquiring the street light beyond the depreciable life basis of the street light?

23. From the perspective of the proposed rate for each type of street light, does KU propose to treat the existing street lights in Fayette County any differently than those that will in the future be installed? If so, please provide a detailed explanation.

24. Does KU anticipate utilizing new technology to capture savings potential in the installation, rehabilitation, and maintenance of street lights? Please describe in detail how KU plans to implement cost and energy saving measures (i.e. retrofitting old installations or introducing new technology)?

25. Is it KU's position that it could have actually justified seeking a greater rate increase for any type of street light for which the LFUCG currently pays a monthly tariff? If so, for which types of lighting? Please provide a detailed explanation of the basis for this position (for each different type of light) and provide any supporting documents or work papers.

26. Has KU compared or analyzed the proposed monthly rate for each type of street light to those charged by other utilities in jurisdictions of similar size to Lexington-Fayette County, Kentucky? If so, please identify each jurisdiction to which the rates were compared or analyzed and provide the monthly rate for each type of street light in those jurisdictions.

27. What are KU's current policies, procedures, practices, and/or guidelines pertaining to the trimming and/or removal of street trees (and other trees effecting utility lines) in Fayette County that might potentially interfere with service?

28. Does KU allow, in any way, the non-governmental utilization of public street lights in Fayette County?

(a) If so, please provide a detailed explanation of each different type of such utilization that occurs in Fayette County, the extent of each type of utilization, the names of any parties that have agreements with KU regarding such usage in Fayette County, the amount and type of compensation or consideration (monetary or otherwise) that KU typically receives for such usage, copies of any pertinent agreements for such usage, and the total amount of compensation that KU receives for such activities.

29. Does KU have a timeframe for offering electronic data interchange (EDI) billing, both invoice and receipt of payment, to its Major Account customers?

30. Please refer to page 2 of 3 of the Comparative Income Statement filed with your application (Filing Requirement 807 KAR 5:001 Section 16(8)(i), Tab 61).

a. What is the explanation for the expected decrease in Public Street & Highway Lighting income between the base and test year periods?

b. With respect to the base year period, how many different Public Street & Highway class customers exist?

c. Approximately what percentage of the base year period income for the Public Street & Highway class customers is derived from LFUCG?

31. Please refer to Schedule M-1.1 (page 1 of 1) of your application (Tab 65). Please list the primary sources of revenue included in 'Other Miscellaneous Revenues' (\$17,133,241).

32. Please reference Schedule M-2.3 (pages 8-12) of your application (Tab 65). Do the revenue projections that you have provided include all of the income that would be received through the application of the various demand charges that would apply to actual billings (e.g., penalties for high demand in prior months, low power factor, etc.)?

33. Please refer to the pre-filed testimony of Paul W. Thompson regarding the measurement of distribution performance (p. 35). What was KU's Customer Average Interruption Duration Index ("CAIDI") for 2013 and where did this place KU in the referenced benchmarking study?

34. Please refer to Schedule N, page 22 of your application (Tab 66), Schedule N, Page 22. Is it an accurate statement that there is no proposed increase to the Cable Television Attachment Charges? If not, what is the additional projected income from any increase in these charges and where is it accounted for in the revenue of the company?

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