

COMMONWEALTH OF KENTUCKY
BEFORE THE PUBLIC SERVICE COMMISSION

In the Matter of:

APPLICATION OF KENTUCKY UTILITIES)	
COMPANY FOR AN ADJUSTMENT OF ITS)	CASE NO. 2014-00371
ELECTRIC RATES)	

DATA REQUESTS OF
KENTUCKY UTILITIES COMPANY
PROPOUNDED TO SIERRA CLUB

Kentucky Utilities Company (“KU”) respectfully submits the following data requests to Sierra Club (“Sierra”), to be answered by the date specified in the procedural schedule established by the Kentucky Public Service Commission (“Commission”) in this matter on December 12, 2014.

Instructions

1. As used herein, “Documents” include all correspondence, memoranda, notes, e-mail, maps, drawings, surveys or other written or recorded materials, whether external or internal, of every kind or description in the possession of, or accessible to, Sierra, its witnesses, or its counsel.
2. Please identify by name, title, position, and responsibility the person or persons answering each of these data requests.
3. These requests shall be deemed continuing so as to require further and supplemental responses if Sierra receives or generates additional information within the scope of these requests between the time of the response and the time of any hearing conducted herein.

4. To the extent that the specific document, work paper, or information as requested does not exist, but a similar document, work paper, or information does exist, provide the similar document, work paper, or information.

5. To the extent that any request may be answered by a computer printout, spreadsheet, or other form of electronic media, please identify each variable contained in the document or file that would not be self-evident to a person not familiar with the document or file.

6. If Sierra objects to any request on the ground that the requested information is proprietary in nature, or for any other reason, please notify the undersigned counsel as soon as possible.

7. For any document withheld on the ground 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.

8. In the event any document requested has been destroyed or transferred beyond the control of Sierra, its counsel, or its witnesses, 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 such a document was destroyed or transferred by reason of a document retention policy, describe in detail the document retention policy.

9. If a document responsive to a request is a matter of public record, please produce a copy of the document rather than a reference to the record where the document is located.

Data Requests

Mr. Chernick

1. Mr. Chernick states, “Subject to the major constraint that rates must collect the class’s assigned revenue requirement, rates should be designed to provide price signals for customer behavior.”¹ Please provide all quotations from, and citations to, Commission orders of which Sierra Club is aware that state or imply that Kentucky’s utilities should design residential base rates (as opposed to optional or pilot rates) to influence customer behavior rather than reflect cost of service.
2. Mr. Chernick states:

Such costs may appear “fixed” when considered in the short-term context of utility cost recovery, since the revenue requirements associated with debt service and maintenance in any year are unlikely to vary much with load or sales in that year. However, from the longer-term perspective of cost-causation and price signals, plant investments and fixed O&M are variable with respect to customer demand.²

 - a. Please state with specificity what is “short-term” and what is “longer-term” concerning electric-distribution-system “plant investments and fixed O&M.”
3. On page 27, lines 12-13 of his Testimony, Mr. Chernick states that strong price signals may shift load from the morning to the evening peak. Identify residential customer loads that could realistically be shifted from the morning winter peak to the evening winter peak.
4. On page 3, lines 4-5 of his Testimony, Mr. Chernick refers to allegedly fixed costs.
 - a. Identify any that are not distribution system costs.
 - b. Identify any costs that would be shifted from kWh recovery to basic service charge recovery that are not fixed costs.
5. Would reducing the differential between on-peak and off-peak energy charges reduce the financial incentive to shift load to off-peak periods? If yes, explain why reducing the differential would be beneficial.

¹ Chernick KU at 13 ln. 13-15; Chernick LG&E at 13 ln. 16-18.

² Chernick KU at 6 ln. 8-13; Chernick LG&E at 6 ln. 9-14.

6. Provide citations to any case in which the Kentucky Public Service Commission has approved a minimum system approach for estimating non-volumetric distribution costs rather than the zero-intercept methodology.
7. Starting on page 9, lines 24-25 of his Testimony, Mr. Chernick states that the “length of conductors is also determined by load levels.”
 - a. Explain how length of conductor is determined by load level.
 - b. Provide any analysis that Mr. Chernick has performed that demonstrates that the length of conductor is determined by load level.
8. With regard to page 11, lines 11-15 of Mr. Chernick’s testimony, explain why incremental costs would not include a transformer.

Dated: March 23, 2015

Respectfully submitted,




Kendrick R. Riggs
Stoll Keenon Ogden PLLC
2000 PNC Plaza
500 West Jefferson Street
Louisville, Kentucky 40202-2828
Telephone: (502) 333-6000
Fax: (502) 627-8722
kendrick.riggs@skofirm.com

Allyson K. Sturgeon
Senior Corporate Attorney
LG&E and KU Services Company
220 West Main Street
Louisville, Kentucky 40202
Telephone: (502) 627-2088
Fax: (502) 627-3367
allyson.sturgeon@lge-ku.com

Counsel for Kentucky Utilities Company

CERTIFICATE OF COMPLIANCE

This is to certify that Kentucky Utilities Company's March 23, 2015 electronic filing of the Data Requests 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 23, 2015; that there are currently no parties that the Commission has excused from participation by electronic means in this proceeding; and that an original paper medium of the Data Requests is being mailed, by first class United States mail, postage prepaid, to the Commission on March 23, 2015.



Counsel for Kentucky Utilities Company