

COMMONWEALTH OF KENTUCKY
BEFORE THE PUBLIC SERVICE COMMISSION

In the Matter of:

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

APPLICATION OF LOUISVILLE GAS AND ELECTRIC) CASE NO.
COMPANY FOR AN ADJUSTMENT OF ITS) 2014-00372
ELECTRIC AND GAS RATES)

JOINT RESPONSE OF
KENTUCKY UTILITIES COMPANY
AND
LOUISVILLE GAS AND ELECTRIC COMPANY
TO
INFORMATION REQUESTED AT HEARING
HELD ON APRIL 21, 2015

FILED: MAY 5, 2015

VERIFICATION

COMMONWEALTH OF KENTUCKY)
) SS:
COUNTY OF JEFFERSON)

The undersigned, **Kent W. Blake**, being duly sworn, deposes and says that he is Chief Financial Officer for Kentucky Utilities Company and Louisville Gas and Electric Company and an employee of 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.

Kent W. Blake
Kent W. Blake

Subscribed and sworn to before me, a Notary Public in and before said County and State, this 4th day of May 2015.

Sammy J. Ely (SEAL)
Notary Public

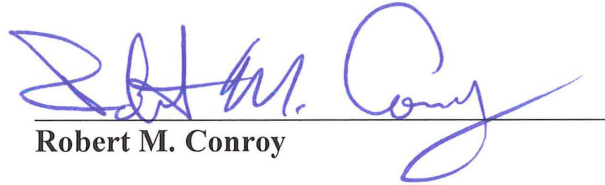
My Commission Expires:

November 9, 2018

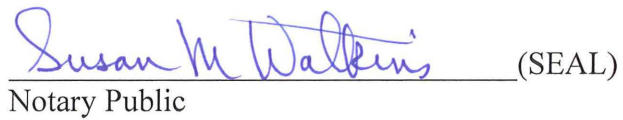
VERIFICATION

COMMONWEALTH OF KENTUCKY)
) SS:
COUNTY OF JEFFERSON)

The undersigned, **Robert M. Conroy**, being duly sworn, deposes and says that he is Director - Rates for Louisville Gas and Electric Company and Kentucky Utilities Company, an employee of 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.


Robert M. Conroy

Subscribed and sworn to before me, a Notary Public in and before said County and State, this 4th day of May 2015.


Notary Public (SEAL)

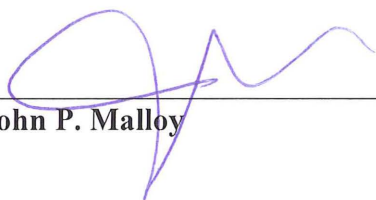
My Commission Expires:

SUSAN M. WATKINS
Notary Public, State at Large, KY
My Commission Expires Mar. 10, 2017
Notary ID # 485723

VERIFICATION

COMMONWEALTH OF KENTUCKY)
) SS:
COUNTY OF JEFFERSON)

The undersigned, **John P. Malloy**, being duly sworn, deposes and says that he is Vice President, Customer Services for Kentucky Utilities Company and Louisville Gas and Electric Company and an employee of 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.



John P. Malloy

Subscribed and sworn to before me, a Notary Public in and before said County and State, this 1st day of May 2015.



Notary Public (SEAL)

My Commission Expires:
JUDY SCHOOLER
Notary Public, State at Large, KY
My commission expires July 11, 2018
Notary ID # 512743

VERIFICATION

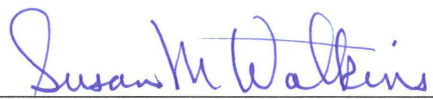
COMMONWEALTH OF KENTUCKY)
) SS:
COUNTY OF JEFFERSON)

The undersigned, **Edwin R. Staton**, being duly sworn, deposes and says that he is Vice President, State Regulation and Rates, for Kentucky Utilities Company and Louisville Gas and Electric Company and an employee of 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.



Edwin R. Staton

Subscribed and sworn to before me, a Notary Public in and before said County and State, this 4th day of May 2015.



Notary Public (SEAL)

My Commission Expires:

SUSAN M. WATKINS
Notary Public, State of Large, KY
My Commission Expires Mar. 19, 2017
Notary ID # 485723

**KENTUCKY UTILITIES COMPANY
LOUISVILLE GAS AND ELECTRIC COMPANY**

**CASE NO. 2014-00371
CASE NO. 2014-00372**

**Joint Response to Information Requested at Hearing
Held on April 21, 2015**

Question No. 1

Responding Witness: Kent W. Blake / Robert M. Conroy

Q-1. Provide the Settlement Agreement Exhibits 1, 2 and 3 in Excel format.

A-1. See the attachment being provided in Excel format.

Attachment in Excel

The attachment(s)
provided in separate
file(s) in Excel format.

**KENTUCKY UTILITIES COMPANY
LOUISVILLE GAS AND ELECTRIC COMPANY**

**CASE NO. 2014-00371
CASE NO. 2014-00372**

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Question No. 2

Responding Witness: Robert M. Conroy

Q-2. Provide the bill impact calculation for customers on the current Rate LEV at the settled RS and RTOD-Energy rates.

A-2. See attached. The Companies have utilized the most recent twelve month historical billing data (as of March 31, 2015) for the current customers being served under Rate LEV. To the extent that the customer has not been on Rate LEV for 12 months, the calculations were performed with the monthly data available. The order of the listed customers in the attachment corresponds to the order contained in the responses to PSC 2-56 and PSC 3-14 for KU and PSC 2-66 and PSC 3-20 for LG&E. However, the time period of the billing data and the number of months for a customer being on Rate LEV will be different. Since those responses, KU has added one additional customer on Rate LEV. Three LG&E customers have left Rate LEV and two LG&E customers have joined Rate LEV.

The Companies will utilize the most recent billing data for each customer when communicating the optional rate for the customer once Rate LEV is eliminated. To the extent that the customer has not indicated a preference, the Companies will transfer the Rate LEV customer to either Rate RS or Rate RTOD-Energy based on which rate schedule would produce a lower bill using the historical billing data available for the specific customers.

Bill Impact Calculation for Customers on Current Rate LEV

Kentucky Utilities Company

	Current Revenue	Revenue Months	RTOD-E			RS		
			Proposed Revenue	\$ Change	Percent Change	Proposed Revenue	\$ Change	Percent Change
Customer 1	\$1,562.76	12	\$1,790.25	\$227.49	14.6%	\$1,754.61	\$191.85	12.3%
Customer 2	\$984.17	12	\$1,090.92	\$106.74	10.8%	\$1,106.97	\$122.79	12.5%
Customer 3	\$2,011.78	12	\$2,477.56	\$465.77	23.2%	\$2,123.08	\$111.30	5.5%
Customer 4	\$807.97	8	\$935.94	\$127.97	15.8%	\$864.29	\$56.32	7.0%
Customer 5	\$863.59	12	\$892.74	\$29.15	3.4%	\$1,047.74	\$184.15	21.3%
Customer 6	\$1,360.71	12	\$1,402.06	\$41.35	3.0%	\$1,657.61	\$296.90	21.8%
Customer 7	\$1,145.98	9	\$1,334.60	\$188.61	16.5%	\$1,235.66	\$89.68	7.8%
Customer 8	\$838.52	5	\$1,030.06	\$191.54	22.8%	\$877.52	\$39.00	4.7%
Customer 9	\$1,006.73	4	\$1,199.72	\$192.99	19.2%	\$1,058.40	\$51.67	5.1%
Total	\$10,582.22	86	\$12,153.84	\$1,571.62	14.9%	\$11,725.87	\$1,143.66	10.8%

Louisville Gas and Electric Company

	Current Revenue	Revenue Months	RTOD-E			RS		
			Proposed Revenue	\$ Change	Percent Change	Proposed Revenue	\$ Change	Percent Change
Customer 1	\$2,770.55	12	\$2,985.22	\$214.67	7.7%	\$2,783.99	\$13.44	0.5%
Customer 2	\$1,791.74	10	\$1,925.77	\$134.03	7.5%	\$1,805.57	\$13.83	0.8%
Customer 3	NA	NA						
Customer 4	NA	NA						
Customer 5	\$1,478.87	12	\$1,477.19	(\$1.68)	-0.1%	\$1,625.42	\$146.55	9.9%
Customer 6	\$760.35	12	\$802.32	\$41.97	5.5%	\$782.54	\$22.20	2.9%
Customer 7	\$1,846.41	12	\$2,015.29	\$168.89	9.1%	\$1,858.13	\$11.72	0.6%
Customer 8	\$5,095.64	12	\$5,712.83	\$617.19	12.1%	\$4,966.73	(\$128.90)	-2.5%
Customer 9	\$1,897.43	12	\$2,072.63	\$175.20	9.2%	\$1,904.97	\$7.54	0.4%
Customer 10	\$1,630.48	12	\$1,720.69	\$90.21	5.5%	\$1,665.60	\$35.12	2.2%
Customer 11	\$946.00	12	\$1,004.15	\$58.15	6.1%	\$983.96	\$37.96	4.0%
Customer 12	\$1,359.34	12	\$1,421.28	\$61.94	4.6%	\$1,407.35	\$48.01	3.5%
Customer 13	\$1,298.56	12	\$1,407.57	\$109.01	8.4%	\$1,319.87	\$21.31	1.6%
Customer 14	\$1,195.52	12	\$1,235.42	\$39.90	3.3%	\$1,277.32	\$81.80	6.8%
Customer 15	\$2,216.77	12	\$2,392.62	\$175.85	7.9%	\$2,309.84	\$93.07	4.2%
Customer 16	\$1,851.33	12	\$2,032.32	\$180.99	9.8%	\$1,832.55	(\$18.79)	-1.0%
Customer 17	\$3,123.87	12	\$3,589.46	\$465.59	14.9%	\$2,932.92	(\$190.95)	-6.1%
Customer 18	\$756.12	12	\$782.29	\$26.17	3.5%	\$809.36	\$53.24	7.0%
Customer 19	NA	NA						
Customer 20	\$1,157.62	12	\$1,226.10	\$68.48	5.9%	\$1,192.38	\$34.76	3.0%
Customer 21	\$708.53	6	\$740.39	\$31.86	4.5%	\$732.58	\$24.04	3.4%
Customer 22	\$1,369.64	12	\$1,490.22	\$120.58	8.8%	\$1,364.39	(\$5.26)	-0.4%
Customer 23	\$902.10	6	\$936.14	\$34.04	3.8%	\$937.37	\$35.28	3.9%
Customer 24	\$295.42	3	\$300.18	\$4.75	1.6%	\$321.49	\$26.07	8.8%
Customer 25	\$174.08	1	\$177.32	\$3.25	1.9%	\$183.70	\$9.63	5.5%
Total	\$34,626.38	230	\$37,447.43	\$2,821.05	8.1%	\$34,998.03	\$371.65	1.1%

Note: Customers with "Current Revenue" and "Revenue Months" labeled as "NA" indicates the customer has moved to Residential Rate RS

**KENTUCKY UTILITIES COMPANY
LOUISVILLE GAS AND ELECTRIC COMPANY**

**CASE NO. 2014-00371
CASE NO. 2014-00372**

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Question No. 3

Responding Witness: Robert M. Conroy

Q-3. Provide an updated Exhibit RMC-6 (KU) and Exhibit RMC-4 (LG&E) with the rates in the Settlement Agreement to show that the proposed residential deposit amount will remain at or below 2/12ths of the average residential bill.

A-3. See attached.

Kentucky Utilities Company
Customer Deposit Requirements

Exhibit RMC-6

Page 1 of 2

Residential Electric -- Rate RS

(1) Forecasted Test Period Revenue (Settlement Exhibit 1, page 2)	\$ 593,989,579	
(2) Settled Revenue Allocation (Settlement Exhibit 1, page 2)	\$ 47,348,098	
(3) Total Revenues [(1) + (2)]	\$ 641,337,677	
(4) Customer Months (Settlement Exhibit 1, page 2)	5,164,164	
(5) Average Bill [(3) / (4)]	124	
(6) Residential Electric Deposit Requirement [(5) * 2 months]	\$ 248	
(7) Proposed Deposit Requirement	<table border="1"><tr><td>\$ 160</td></tr></table>	\$ 160
\$ 160		

Kentucky Utilities Company
Customer Deposit Requirements

Exhibit RMC-6

Page 2 of 2

General Service -- Rate GS

(1) Forecasted Test Period Revenue (Settlement Exhibit 1, page 5)	\$ 216,871,822	
(2) Settled Revenue Allocation (Settlement Exhibit 1, page 5)	\$ 17,292,976	
(3) Total Revenues [(1) + (2)]	\$ 234,164,798	
(4) Customer Months (Settlement Exhibit 1, page 5)	985,260	
(5) Average Bill [(3) / (4)]	238	
(6) General Service Deposit Requirement [(5) * 2 months]	\$ 475	
(7) Proposed Deposit Requirement	<table border="1"><tr><td>\$ 240</td></tr></table>	\$ 240
\$ 240		

LOUISVILLE GAS AND ELECTRIC COMPANY

Customer Deposit Requirements

Exhibit RMC-4**Page 1 of 2****Residential Electric -- Rate RS**

(1) Forecasted Test Period Revenue (Settlement Exhibit 2, page 2)	\$ 436,027,011
(2) Settled Revenue Allocation (Settlement Exhibit 2, page 2)	\$ 256,003
(3) Total Revenues [(1) + (2)]	\$ 436,283,014
(4) Customer Months (Settlement Exhibit 2, page 2)	4,337,986
(5) Average Bill [(3) / (4)]	101
(6) Residential Electric Deposit Requirement [(5) * 2 months]	\$ 201
(7) Proposed Deposit Requirement	\$ 160

Residential Gas -- Rate RGS

(8) Forecasted Test Period Revenue (Settlement Exhibit 3, page 2)	\$ 220,393,502
(9) Settled Revenue Allocation (Settlement Exhibit 3, page 2)	\$ 4,544,605
(10) Total Revenues [(8) + (9)]	\$ 224,938,107
(11) Customer Months (Settlement Exhibit 3, page 2)	3,535,390
(12) Average Bill [(10) / (11)]	64
(13) Residential Gas Deposit Requirement [(12) * 2 months]	\$ 127
(14) Proposed Deposit Requirement	\$ 100

Combination Residential Gas and Electric

(15) Proposed Deposit Requirement [(7) + (14)]	\$ 260
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LOUISVILLE GAS AND ELECTRIC COMPANY

Customer Deposit Requirements

Exhibit RMC-4

Page 2 of 2

General Service -- Rate GS

(1) Forecasted Test Period Revenue (Settlement Exhibit 2, page 5)	\$ 154,856,602	
(2) Settled Revenue Allocation (Settlement Exhibit 2, page 5)	\$ 100,042	
(3) Total Revenues [(1) + (2)]	\$ 154,956,644	
(4) Customer Months (Settlement Exhibit 2, page 5)	535,170	
(5) Average Bill [(3) / (4)]	290	
(6) General Service Deposit Requirement [(5) * 2 months]	\$ 579	
(7) Proposed Deposit Requirement	<table border="1"><tr><td>\$ 240</td></tr></table>	\$ 240
\$ 240		

**KENTUCKY UTILITIES COMPANY
LOUISVILLE GAS AND ELECTRIC COMPANY**

**CASE NO. 2014-00371
CASE NO. 2014-00372**

**Joint Response to Information Requested at Hearing
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Question No. 4

Responding Witness: Edwin R. "Ed" Staton

- Q-4. State whether the LG&E and KU rates compared to the EEI average rates as referenced in the direct testimony of Edwin R. "Ed" Staton are "all-in" rates.
- A-4. The data used from the EEI report as compared to the LG&E and KU rates are "all-in" average rates that includes the customer service charge, energy charge and surcharges. See the response to ACM 1-15 for additional information on the EEI report referenced in Mr. Staton's direct testimony.

**KENTUCKY UTILITIES COMPANY
LOUISVILLE GAS AND ELECTRIC COMPANY**

**CASE NO. 2014-00371
CASE NO. 2014-00372**

**Joint Response to Information Requested at Hearing
Held on April 21, 2015**

Question No. 5

Responding Witness: John P. Malloy

Q-5. Provide the number of residential direct load control switches currently installed.

A-5. As of March 31, 2015, there were 85,282 residential direct load control switches installed on the KU system and 94,683 installed on the LG&E system.

**KENTUCKY UTILITIES COMPANY
LOUISVILLE GAS AND ELECTRIC COMPANY**

**CASE NO. 2014-00371
CASE NO. 2014-00372**

**Joint Response to Information Requested at Hearing
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Question No. 6

Responding Witness: Kent W. Blake

Q-6. Provide the total capital investment in the environmental surcharge rate base by Company.

A-6. The total capital investment, net of retirement offsets, in the environmental surcharge rate base as of March 31, 2015 by Company is:

KU	\$1,158,936,649
LG&E:	\$ 778,591,441

**KENTUCKY UTILITIES COMPANY
LOUISVILLE GAS AND ELECTRIC COMPANY**

**CASE NO. 2014-00371
CASE NO. 2014-00372**

**Joint Response to Information Requested at Hearing
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Question No. 7

Responding Witness: John P. Malloy / Robert M. Conroy

- Q-7. Provide the way in which customers will be informed about the RTOD-Demand rate.
- A-7. If the Commission approves the proposed RTOD-Demand rate, the Companies will provide the Commission with a copy of the information to be provided to customers.