

COMMONWEALTH OF KENTUCKY
BEFORE THE PUBLIC SERVICE COMMISSION

In the Matter of:

INVESTIGATION OF KENTUCKY UTILITIES)	
COMPANY'S AND LOUISVILLE GAS &)	
ELECTRIC COMPANY'S RESPECTIVE NEED)	
FOR AND COST OF MULTIPHASE LANDFILLS)	CASE NO. 2015-00194
AT THE TRIMBLE COUNTY AND GHENT)	
GENERATING STATIONS)	

**SECOND SUPPLEMENTAL RESPONSE OF
KENTUCKY UTILITIES COMPANY AND
LOUISVILLE GAS AND ELECTRIC COMPANY**

**FIRST DATA REQUEST FOR INFORMATION
TO STERLING VENTURES, LLC
DATED JULY 2, 2015**

FILED: AUGUST 14, 2015

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

**First Data Request for Information to Sterling Ventures, LLC
Dated July 2, 2015**

Case No. 2015-00194

Question No. 14

Witness: David S. Sinclair / Counsel

Q-14. Based upon the most recent projected cost of \$501.5M, please provide in an excel spreadsheet the calculation of the PVRR of the Trimble County Landfill. To the extent not included on question 4 above, please provide copies of all calculations, work papers, spreadsheets and any other supporting documents, including but not limited to the calculation of depreciation, useful life of landfill component asset cost and deferred tax calculation used in calculating the Trimble County landfill PVRR.

A-14. **AMENDED RESPONSE DATED JULY 17, 2015**

See the attached being provided on a thumb drive. The information requested is considered to be confidential and proprietary and is being filed under seal pursuant to a Petition for Confidential Protection. The Companies have not provided certain Excel worksheets which contain data and methodologies which, if disclosed, would give Sterling Ventures a competitive advantage in future bids, disadvantage other vendors who participate in the Companies' competitive bid process and impair the effectiveness of the Companies' overall competitive bidding process and harm the Companies' customers.

SUPPLEMENTAL RESPONSE DATED AUGUST 12, 2015

The Companies provided thumb drives containing over 1,000 files in response to this request, including numerous supporting and work-paper files. In reviewing the testimony of Sterling Ventures, LLC witness John W. Walters, Jr., the Companies have determined that they inadvertently produced a non-responsive file as a supporting document in the Companies' response to this request, namely 20141104_OriginallyProposedLandfillLifeandPhases_TCCCR0002D14.xlsx ("Landfill Timing File"). The Landfill Timing File also contains commercially sensitive information concerning the Companies' existing beneficial reuse arrangements that should not have been produced to Sterling Ventures because it is a potential vendor to the Companies; indeed, for the same reason the Companies did not provide to Sterling Ventures the confidential Excel file the Companies provided in response to Commission Staff Initial Request for Information No. 18 ("PSC 1-18 File").

The Landfill Timing File, though a support document for certain landfill timing dates in Table 11 of Exhibit 5 to the Companies' Joint Application in Case No. 2015-00156, is

not the Companies' final or most recent analysis of the Trimble County landfill or the Sterling Ventures alternative. The file was inadvertently included in a "Support" folder on the thumb drives provided in response to this request, has a filename that indicates it was created in November 2014 (six months before most of the other files provided in the response), and contains a total cost of the Trimble County landfill that does not correspond to the cost figure provided in 20150505_LAK_TCLandfillOutputTemplate_TCCCR0003D05.xlsx, which was the primary spreadsheet provided in the response to this request. Also, the Landfill Timing File was inadvertently included with the Companies' work papers because – as the filename suggests – it contains the years in which the originally proposed landfill phases were assumed to be commissioned.¹ This information was included in Table 11 at page 13 of 13 in Exhibit 5 of the Companies' Joint Application. No calculations or any other information contained in the file was used in the Companies' analysis or in the preparation of any other materials for this proceeding.

In an attempt to clarify the record and in interest of comity and full disclosure, the Companies are therefore supplementing their response to this request by providing two additional Excel files under the Companies' July 17, 2015 Joint Amended Petition for Confidential Protection:

1. The first Excel file the Companies are providing in this supplemental response contains CCR-related revenue requirements utilized in the Companies' May 2015 PVRR analysis that evaluated building the Trimble County landfill versus retiring and replacing the Trimble County coal-fired units. This analysis supported the Companies' Joint Application in Case No. 2015-00156. The May 2015 PVRR analysis file being provided supports the landfill revenue requirement figures in the primary spreadsheet provided in the Companies' July 17, 2015 response to this request.² Please note that the Trimble County landfill cost data contained in the file being provided in this supplemental response is identical to the landfill cost data contained in the PSC 1-18 File that the Companies filed with the Commission on July 16, 2015; in other words, the PSC 1-18 File provided on July 16, 2015, contains all the Trimble County landfill cost data being provided in the May 2015 PVRR analysis file. The Companies are providing an unmodified version of the May 2015 PVRR analysis file to the Commission,³ and are providing to Sterling Ventures a version of the May 2015 PVRR analysis file that is identical to the version being provided to the Commission except that the

¹ The path and filename of the Landfill Timing File were:

\\SV1-14\CCR\Support\20141104_OriginallyProposedLandfillLifeandPhases_TCCCR0002D14.xlsx.

² The Companies inadvertently omitted to provide the May 2015 PVRR analysis file to the Commission in their July 17 response to this request; however, as noted above, on July 16 the Companies provided the Commission the same information in the PSC 1-18 File. The Companies would not have provided the May 2015 PVRR analysis file to Sterling Ventures on July 17 for the same reason the Companies did not initially provide the PSC 1-18 File to Sterling Ventures, namely that it contains the names of the Companies' current beneficial reuse vendors and related pricing terms. The Companies continue to reserve the right to withhold commercially sensitive information from Sterling Ventures, and are providing to Sterling Ventures modified versions of the May 2015 PVRR analysis file and the PSC 1-18 File only in an attempt to clarify the record of this proceeding.

³ Attachment to SV 1-14_May2015CCR_RevReq.xlsx

names of the Companies' current beneficial reuse vendors are replaced with generic "Vendor" labels to attempt to minimize any commercial harm of providing this information to Sterling Ventures.⁴

2. The second Excel file the Companies are providing in this supplemental response is identical to the PSC 1-18 File except that the names of the Companies' current beneficial reuse vendors are replaced with generic "Vendor" labels to attempt to minimize any commercial harm of providing this information to Sterling Ventures.⁵ As is true of the PSC 1-18 File, the file the Companies are providing in this supplemental response is the Companies' most current analysis of the Trimble County landfill and the Sterling Ventures alternative.

The Companies will not object to Sterling Ventures' use of this information in its rebuttal testimony to be filed by September 10 in this proceeding.

SECOND SUPPLEMENTAL RESPONSE DATED AUGUST 14, 2015

In response to an informal request by Sterling Ventures' counsel, the Companies are supplementing their previous responses to this request by supplying a confidential Excel spreadsheet that supported their February 2015 analysis of the Trimble County landfill and the Sterling Ventures alternative. The Companies provided their February 2015 analysis to the Commission and the parties during the informal conference held at the Commission on June 19, 2015.⁶

Notwithstanding that this data request does not request the spreadsheet Sterling Ventures has now informally requested, the Companies are providing it in a spirit of comity. The Companies are providing an unmodified version of the spreadsheet to the Commission,⁷ and are providing to Sterling Ventures a version of the spreadsheet that is identical to the version being provided to the Commission except that the names of the Companies' current beneficial reuse vendors are replaced with generic "Vendor" labels to attempt to minimize any commercial harm of providing this information to Sterling Ventures.⁸ Both versions of the spreadsheet are confidential and are being provided under the Companies' July 17, 2015 Joint Amended Petition for Confidential Protection.

⁴ Attachment to SV 1-14_May2015CCR_RevReq_REDACTED.xlsx.

⁵ Attachment to PSC 1-18_UpdatedSVAnalysis_REDACTED.xlsx.

⁶ See Commission Staff's Informal Conference Memorandum dated June 24, 2015.

⁷ Attachment to SV 1-14_TCOffsiteStorage.xlsx.

⁸ Attachment to SV 1-14_TCOffsiteStorage_REDACTED.xlsx.