Witness: Linda C. Bridwell

5. Provide a complete copy of all Kentucky-American budget instructions, assumptions, directives, manuals, policies and procedures, time lines, and descriptions of budget procedures.

Response:

Please see attached.

Supplemental Response 6-29-16

Please see attached. Certain portions of the attached documents are confidential and are subject to a petition for confidential protection.
2015 Business Planning
Strategy Framework
Considerations and discussion points

A. ELT Feedback on 2014 Strategic Planning process

B. ELT guidance regarding 2015 Strategic Planning expectations

1. Optional/discretionary
2. “Lite”
3. Enhanced
4. Transformed
2016-Budget and 2017-2020 Plan
Global Assumptions and Enterprise Wide Costs

May 6, 2015
Insurance other than group
Projected Interest Rates
Appendix

• Assumptions unchanged from 2015
• Declining Usage Trend Graph
• Insurance Supporting Schedules
  ▪ General Liability & Workers Compensation
• Supply Chain Supporting Schedules
  ▪ Chemicals
Assumptions unchanged from 2015

- Annual incentive plan target percentages
- Long-term incentive plan target percentages
- 401k company match percentages
- Defined contribution account (5.25%)
Residential Sales Per Customer
Six Large State Subsidiaries
(2006-2015)

* Annual Decline = 986 gallons/customer/year
* -1.92% annual rate of decline at 2015
* R² = 0.9651 which signifies strong linear trend through 2015
Casualty Insurance Premiums