

**COMMONWEALTH OF KENTUCKY**  
**BEFORE THE PUBLIC SERVICE COMMISSION**

**In the Matter of:**

<b>APPLICATION OF KENTUCKY UTILITIES</b>	)	
<b>COMPANY FOR AN ADJUSTMENT OF ITS</b>	)	
<b>ELECTRIC RATES AND FOR</b>	)	<b>CASE NO. 2016-00370</b>
<b>CERTIFICATES OF PUBLIC CONVENIENCE</b>	)	
<b>AND NECESSITY</b>	)	

**DATA REQUESTS OF  
KENTUCKY UTILITIES COMPANY  
PROPOUNDED TO KENTUCKY LEAGUE OF CITIES**

Kentucky Utilities Company (“KU”) respectfully submits the following data requests to Kentucky League of Cities (“KLC”), to be answered by the date specified in the procedural schedule established by the Kentucky Public Service Commission (“Commission”) in this matter on December 13, 2016.

**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, KLC, 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 KLC 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 KLC 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 KLC, 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

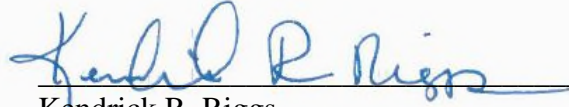
### Mr. Pollock

1. Is Mr. Pollock a Certified Depreciation Professional?
2. Please provide a list of each course, training or seminar Mr. Pollock has attended related specifically to utility depreciation.
3. Each of the following is in reference to the life span method used in the depreciation study for KU's production plant accounts.
  - a. What is Mr. Pollock's understanding of the life span method used for KU's steam (and other) production plants? Please include in the response Mr. Pollock's definition of the life span method as well as how average lives and depreciation expense is calculated when using the life span method.
  - b. Does Mr. Pollock agree that, all else equal, interim additions to a life span location (e.g., a production unit) will have a shorter average service life than the original installation if the estimated retirement date is unchanged? For example, if a plant was installed in 1980 and an estimated retirement date of 2030, will assets added in 2010 have a shorter service life than those installed in 1980? If Mr. Pollock disagrees with this statement, please provide all support and justification for the response.
4. Reference p. 2, line 15 through p. 3, line 5 of Mr. Pollock's testimony. Does Mr. Pollock believe that his recommendation with regard to the theoretical reserve imbalance (referred to by Mr. Pollock as the "surplus depreciation reserve") is consistent with the Uniform System of Accounts? If the response is "yes," please explain in detail why Mr. Pollock believes this to be the case. If the response is "no," please explain why not. Please provide all support and justification for the response.
5. What is Mr. Pollock's understanding as to the cause(s) of the theoretical reserve imbalance for KU's assets? Please respond in detail. Additionally, please provide in the response all investigations or analyses performed by Mr. Pollock to determine the cause(s) of the theoretical reserve imbalance.
6. What is Mr. Pollock's understanding as to the period of time over which the theoretical reserve imbalance for KU's assets developed? The response should include Mr. Pollock's best estimate as to the time period over which the theoretical reserve imbalance developed for each plant account. Additionally, please provide in the response all investigations or analyses performed by Mr. Pollock to determine the time period over which the theoretical reserve imbalance developed.

7. Reference the table on page 8 of Mr. Pollock's testimony. Please explain what the column titled "Years of Accruals" represents.
8. Is Mr. Pollock aware of any regulatory commissions that have rejected a proposal to amortize a theoretical reserve imbalance over a period of time shorter than the remaining life? If the response is yes, please provide each docket number and jurisdiction.
9. Reference p. 15, line 21 through p. 16, line 2 of Mr. Pollock's testimony. Mr. Pollock states that "[i]n year 10... it then determines that the remaining life of the asset is 30 years."
  - a. Does this mean that the overall useful or average life is 40 years?
  - b. If the response is yes, please explain why Mr. Pollock calculates a theoretical reserve of \$33.30 for the asset in Mr. Pollock's example.

Dated: March 17, 2017

Respectfully submitted,

A handwritten signature in blue ink, reading "Kendrick R. Riggs", is written over a horizontal line.

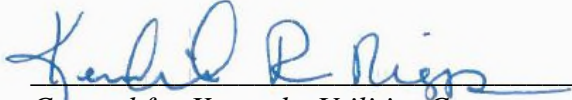
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*Counsel for Kentucky Utilities Company*

**CERTIFICATE OF COMPLIANCE**

This is to certify that Kentucky Utilities Company's March 17, 2017 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 17, 2017; that there are currently no parties that the Commission has excused from participation by electronic means in this proceeding; and that an original and six copies, in paper medium of the Data Requests, are being mailed by U.S. First Class Mail, postage prepaid, to the Commission on March 17, 2017.



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*Counsel for Kentucky Utilities Company*