

COMMONWEALTH OF KENTUCKY
BEFORE THE PUBLIC SERVICE COMMISSION

In the Matter of:

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

**THE ATTORNEY GENERAL'S RESPONSES TO DATA REQUESTS OF
KENTUCKY LEAGUE OF CITIES**

Come now the intervenor, the Attorney General of the Commonwealth of Kentucky,
by and through his Office of Rate Intervention, and submits the following responses to data
requests of Kentucky League of Cities.

Respectfully submitted,

ANDY BESHEAR
ATTORNEY GENERAL



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Certificate of Service and Filing

Counsel certifies that the foregoing is a true and accurate copy of the same document being filed in paper medium with the Commission within two business days; that the electronic filing has been transmitted to the Commission on March 31, 2017; that there are currently no parties that the Commission has excused from participation by electronic means in this proceeding.

This 31st day of March, 2017.



Assistant Attorney General

Application of Kentucky Utilities Co. for an Adjustment
of its Electric Rates and for Certificates of Public Convenience and Necessity
Case No. 2016-00370
Attorney General's Responses to Kentucky League of Cities

WITNESS/RESPONDENT RESPONSIBLE

Glenn A. Watkins

The following RFIs pertain to the Direct Testimony of Glenn A. Watkins.

REQUEST No.1

Page 1 of 1

Referring to page 22:

- a. Provide a copy of all workpapers supporting the derivation of the allocation factors used in the POD method in native (live EXCEL) format.
- b. Provide the justification for assigning each plant's investment pro-ratably to each hour.
- c. Identify each regulatory jurisdiction that has adopted the POD method in the past ten years and identify the utility and docket number.

RESPONSE:

- a. The Excel workpapers and electronic spreadsheet relevant to this request have previously been provided by the OAG.

See files:

TAI_Prob_Dispatch_with_100_percent_Demand.xls

TAI_Prob_Dispatch_with_Time_Fuel_and_Customer-Demand_Split.xls

Completed_2_Probability_of_Dispatch_KU_-_Using_Depreciation_Reserve.xls

Completed_4_Probability_of_Dispatch_KU_-_Using_Gross_Plt.xls

Hourly_Fuel_Costs_KU_and_LGE_-_With_Source_and_Meter_-adjusted.xls

- b. See Mr. Watkins' direct testimony, page 14, lines 9 through 24.
- c. Mr. Watkins' does not maintain a list of class cost of service methodologies adopted for any jurisdiction. As such, Mr. Watkins' is not aware of jurisdictions that have or have not adopted the POD method.

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Case No. 2016-00370
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WITNESS/RESPONDENT RESPONSIBLE

Glenn A. Watkins

The following RFIs pertain to the Direct Testimony of Glenn A. Watkins.

REQUEST No.2

Page 1 of 1

Referring to page 23:

- a. Based on the test year fuel costs alone, would KU install the same mix of generation capacity as is currently installed? Please explain why or why not.
- b. In calculating hourly fuel costs by individual generating unit, did Mr. Watkins make any assumptions about differences in unit heat rates or the amount of operable capacity?
- c. Does Mr. Watkins believe that each particular generating unit has the same heat rate and operable capacity in each operating hour? Please explain your response.

RESPONSE:

- a. This request is beyond the scope of Mr. Watkins' engagement, therefore, his response is; unknown.
- b. Mr. Watkins' made no assumptions in calculating hourly fuel costs. Rather, he relied upon the Company's responses to discovery that provided hourly dispatch of generating units for the Forecasted Test Year along with forecasted monthly fuel costs by generating unit.
- c. No. See the Company's FERC Form 1.

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Glenn A. Watkins

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REQUEST No.3

Page 1 of 1

Referring to page 28, provide support for the statement that differences in customer densities throughout a utility's service area are the primary reason for classifying distribution plant as partially customer-related. What other factors determine how distribution plant should be classified?

RESPONSE:

Please refer to Mr. Watkins' entire discussion regarding the classification of distribution plant on pages 28 through 44 of his direct testimony.

Application of Kentucky Utilities Co. for an Adjustment
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WITNESS/RESPONDENT RESPONSIBLE

Glenn A. Watkins

The following RFIs pertain to the Direct Testimony of Glenn A. Watkins.

REQUEST No.4

Page 1 of 1

Referring to page 36, how many of KU's postal zip codes are located solely in rural vs. solely in urban areas?

RESPONSE:

Please refer to the table in Mr. Watkins' direct testimony on page 39. Mr. Watkins' did not specifically determine which zip codes are considered "urban" or "rural" but the table on page 39 will enable Kentucky League of Cities to form their own opinion based on the data presented. In addition, please refer to KU_Zip_Code_Analysis.xls previously provided by the OAG that presents the number of distribution customers (excluding lighting) per square mile for every zip code within KU's service area.

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Case No. 2016-00370
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Glenn A. Watkins

The following RFIs pertain to the Direct Testimony of Glenn A. Watkins.

REQUEST No.5

Page 1 of 1

Clarify that the report provided in Exhibit GAW-7 was authored by the Regulatory Assistance Project and not NARUC.

RESPONSE:

Confirmed. Please also refer to Mr. Watkins' Schedule GAW-7, page 1, and to Mr. Watkins' response to Commission Staff's Data Request to OAG, item no. 3, Case No. 2016-00370.