

Commonwealth of Kentucky
Before the Public Service Commission

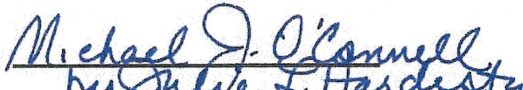
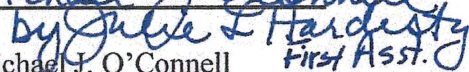
In the Matter of:

ELECTRONIC APPLICATION OF LOUISVILLE)
GAS AND ELECTRIC COMPANY FOR AN)
ADJUSTMENT OF ITS ELECTRIC AND GAS)
RATES AND FOR CERTIFICATES OF PUBLIC)
CONVENIENCE AND NECESSITY)

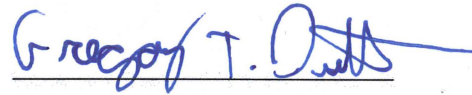
Case No.
2016-00371

Second Requests for Information to
Louisville Gas and Electric Co. from
Louisville/Jefferson County Metro Government

Respectfully submitted,


by  Julie L. Hardesty
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INSTRUCTIONS

- (1) Please identify the witness (es) who will be prepared to answer questions concerning each request.
- (2) Please repeat the question to which each response is intended to refer. An electronic version of these data requests can be provided, upon request.
- (3) These requests shall be deemed continuing so as to require further and supplemental responses if the company receives or generates additional information within the scope of these requests between the time of the response and the time of any hearing conducted hereon. Those supplemental responses shall be provided as soon as the Company becomes aware of or in possession of the new or additional information.
- (4) Each response shall be answered under oath or, for representatives of a public or private corporation or a partnership or association, be accompanied by a signed certification of the preparer or person supervising the preparation of the response on behalf of the entity that the response is true and accurate to the best of that person's knowledge, information, and belief formed after a reasonable inquiry.
- (5) To the extent that the specific document, workpaper or information as requested does not exist, but a similar document, workpaper or information does exist, provide the similar document, workpaper, or information.
- (6) As used herein, the words "document" or "documents" are to be construed broadly and shall mean the original of the same (and all non-identical copies or drafts thereof) and if the original is not available, the best copy available.
- (7) For any document withheld on the basis 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 called for has been destroyed or transferred beyond the control of the company, please 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 destroyed or disposed of by operation of a retention policy, state the retention policy.
- (9) Please provide all spreadsheets used in responses to these requests for information in excel format with all cells unlocked and functional.

Electronic Application of Louisville Gas and Electric Company for an Adjustment of its Electric and Gas Rates and for Certificates of Public Convenience and Necessity
Case No. 2016-00371
Second Discovery Requests of LG&E from Louisville Metro

1. Referring to LG&E's Response to Louisville Metro 1-8:
 - a. Provide a schedule quantifying the costs incurred that are associated with the 2006 Settlement Agreement for the years 2015 through 2018 and the Test Year.
 - b. Explain and provide workpapers showing how a decision to source energy from MISO changes the amount of LG&E's Misc. Transmission Expense.
 - c. Define the acronyms ITO and RC as shown in the Attachment.
 - d. Explain the fluctuations in the ITO expenses shown in the Attachment.
 - e. Explain how the TVA RC is determined.
2. Referring to LG&E's Response to Louisville Metro 1-14:
 - a. Describe the nature of the unbudgeted capital projects.
 - b. When will the unbudgeted capital projects be known?
3. Referring to LG&E's Response to Louisville Metro 1-15(a), explain the difference between 2016 forecasted and 2016 actual.
4. Referring to LG&E's Response to Louisville Metro 1-18:
 - a. Identify what 12-month period is being used to quantify the LOLPs.
 - b. Explain how the proposed LOLPs were calculated if they were not based on historical information.
 - c. Explain how LG&E determined that the calculated LOLPs were reasonable.
5. Referring to LGE's Response to Louisville Metro 1-19, please provide workpapers showing "Meter Retirement" by year by company.
6. Referring to LG&E's Response to Louisville Metro 1-20:
 - a. Provide any documentation or final Commission Orders relied upon when responding to 20(a).
 - b. Provide documentation or final Commission Orders supporting the statement that the ratemaking principle of gradualism has long been recognized by the Commission.
 - c. Provide Mr. Seelye's specific experience with electric utility rates that led to his selection of a 15% rate of return threshold.
7. Referring to LG&E's Response to Louisville Metro 1-24, provide any documentation or evidence of the lighting vendors representations that LED fixtures have shorter average service lives than conventional fixtures.
8. Referring to LG&E's Response to Louisville Metro 1-29, provide support for the statement that none of LG&E's transportation customers self-supply their imbalances.

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9. Referring to LG&E's Attachment to Response to Louisville Metro 1-30(e), state the source and provide documents supporting each of the amounts.
10. Referring to LG&E's Response to Louisville Metro 1-31:
 - a. State the source of the material costs.
 - b. State the labor cost assumptions (hours, cost per hour).
 - c. State the assumptions used in determining the overhead costs.
 - d. Provide a workpaper showing how the Total Costs were translated into a fixture charge.
11. Referring to LG&E's Response to Louisville Metro 1-33:
 - a. Provide all studies conducted within the past three years of the Company's time-differentiated energy costs by rating period.
 - b. Provide a schedule showing the loss-adjusted energy usage by customer class for the summer peak and winter peak periods as defined under the BIP method for the test year. If test year information is not available, provide the schedule for the most recent historical period.
 - c. Provide a schedule showing the test-year fuel and purchased power energy costs for the summer peak, winter peak, and all other periods as defined under the BIP method. If test year information is not available, provide the schedule for the most recent historical period.
12. Referring to LG&E's Response to Louisville Metro 1-37, state the source of and time frame for the information provided in the table and explain how the amounts were derived.
13. Referring to LG&E's Response to Louisville Metro 1-38:
 - a. Explain how summing the daily withdrawals through February 28th is consistent with cost causation.
 - b. List past PSC orders where the DEM02 allocator was approved.
 - c. Provide a copy of Attachments 1 and 2 in live EXCEL workbooks.
 - d. Explain how the information in Attachment 2 was used in the class cost-of-service study.
14. Referring to LG&E's Response to Louisville Metro 1-53: provide a schedule showing the following information for each current Louisville Metro account for each calendar year of 2015 and 2016:
 - a. Total sum paid by Rate Class; and
 - b. Usage by Rate Class.

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15. Referring to LG&E's Response to Louisville Metro 1-53:
 - a. Clarify whether the answer provided is for the year 2015 or the year 2016. If information is total of 2015 and 2016, provide the information for each year.
 - b. For responses to part B (alternative rate) that state "On Best Rate" provide the alternative rate the account could use.
 - c. Would the accounts with alternative rates listed – excluding those accounts currently "on best rate" – save money by switching to the alternative rate provided?
 - d. For responses to part B (alternative rate) that state anything other than "On Best Rate" provide the answer to part C as if the account had paid under the alternative rate provided.

16. Referring to LG&E's Response to Louisville Metro 1-55:
 - a. Define what is meant by "leased" to Louisville Metro.
 - b. Explain how this arrangement is different than the arrangement KU has with municipalities regarding street lights. (See KU response to KLC Question 48 for reference.)

17. Referring to LG&E's Response to KIUC 1-19, please provide examples of goals and achievement measures associated with each listed performance category:
 - a. Net Income
 - b. Cost Control
 - c. Customer Reliability
 - d. Customer Satisfaction
 - e. Individual / Team Effectiveness

18. Referring to LG&E's Response to KIUC 1-19, are any of the goals associated with Individual / Team Effectiveness related to achieving specific financial based goals such as earnings, earnings per share (EPS), return on equity, etc.? If yes, please provide the amounts in the base period and test period related to these goals. Provide work papers detailing how these amounts were determined.

19. Referring to LG&E's Response to KSBA 1-14, please provide documents supporting the statement that LED maintenance costs are more expensive than existing HPS Mercury Vapor and Metal Halide Technologies.

20. Quantify the portion of the proposed electric rate increase that is related to the recovery of fuel and purchased power energy-related costs or other costs that are recoverable in the Fuel Adjustment Clause.

21. Quantify the portion of the proposed natural gas rate increase that is related to the recovery of gas supply costs or other costs that are recoverable in the Gas Supply Clause.

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22. State the amount of fuel costs included in Test-Year base rate revenues by rate schedule and provide the supporting calculations.
23. State the amount of gas supply costs included in Test-Year base rate revenues by rate schedule and provide the supporting calculations.
24. What are the total assets of LG&E and KU Capital LLC? Please provide all relevant documentation.
25. Are the total assets and liabilities of LG&E and KU Capital LLC listed in any other public disclosure, such as Securities and Exchange Commission filing?
26. What is the balance of LG&E and KU Capital LLC?
27. Is LG&E and KU Capital LLC regulated by any entity, be it another business organization, a government agency, or any legal rules and regulations?
28. What are LG&E and KU Capital LLC's sources of funding?
29. Are LG&E and KU Capital LLC's assets and liabilities documented elsewhere in any format? If so, please provide all relevant documents.