

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

**In the Matter of:**

<b>AN EXAMINATION OF THE APPLICATION OF</b>	)
<b>THE FUEL ADJUSTMENT CLAUSE OF</b>	) <b>CASE NO.</b>
<b>LOUISVILLE GAS AND ELECTRIC COMPANY FROM</b>	) <b>2017-00004</b>
<b>NOVEMBER 1, 2014 THROUGH OCTOBER 31, 2016</b>	)

**RESPONSE OF**  
**LOUISVILLE GAS AND ELECTRIC COMPANY**  
**TO**  
**COMMISSION STAFF'S POST-HEARING REQUEST FOR INFORMATION**  
**IN COMMISSION'S ORDER DATED APRIL 21, 2017**

**FILED: May 1, 2017**

VERIFICATION

COMMONWEALTH OF KENTUCKY )  
 ) SS:  
COUNTY OF JEFFERSON )

The undersigned, **Charles R. Schram**, being duly sworn, deposes and says that he is Director — Power Supply, for LG&E and KU Services Company, and that he has personal knowledge of the matters set forth in the responses for which he is identified as the witness, and the answers contained therein are true and correct to the best of his information, knowledge and belief.

  
\_\_\_\_\_  
Charles R. Schram

Subscribed and sworn to before me, a Notary Public in and before said County and State, this 1<sup>st</sup> day of May 2017.

 (SEAL)

Notary Public

My Commission Expires:  
**JUDY SCHOOLER**  
Notary Public, State at Large, KY  
My commission expires July 11, 2018  
Notary ID # 512743

VERIFICATION

COMMONWEALTH OF KENTUCKY )  
 ) SS:  
COUNTY OF JEFFERSON )

The undersigned, **Derek Rahn**, being duly sworn, deposes and says that he is Manager - Revenue Requirement for LG&E and KU Services Company, and that he has personal knowledge of the matters set forth in the responses for which he is identified as the witness, and the answers contained therein are true and correct to the best of his information, knowledge and belief.



**Derek Rahn**

Subscribed and sworn to before me, a Notary Public in and before said County and State, this 1<sup>st</sup> day of May 2017.

 (SEAL)

Notary Public

My Commission Expires:  
**JUDY SCHOOLER**  
Notary Public, State at Large, KY  
My commission expires July 11, 2018  
Notary ID # 512743

**LOUISVILLE GAS AND ELECTRIC COMPANY**

**Response to Commission Staff's Post Hearing Request for Information  
in Commission's Order Dated April 21, 2017**

**Case No. 2017-00004**

**Question No. 1**

**Witness: Charles R. Schram**

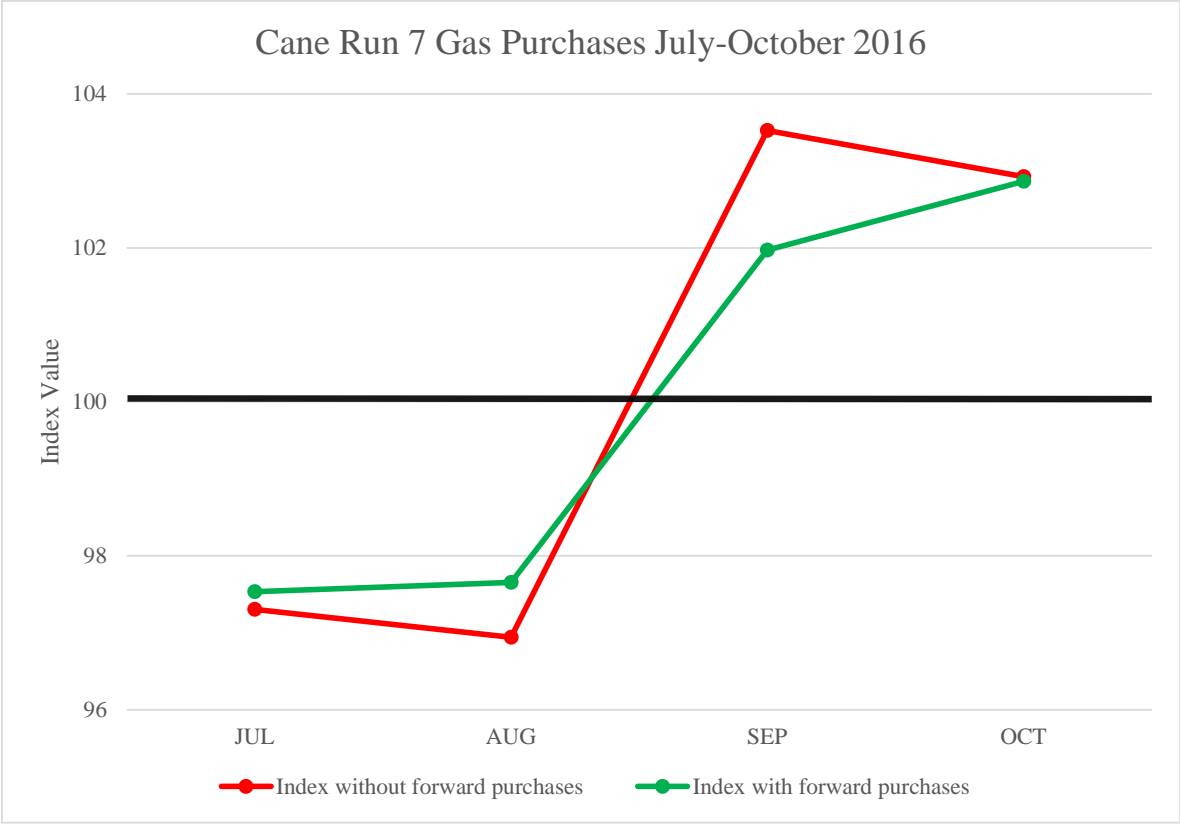
Q-1. Refer to LG&E's response to the Commission's February 6, 2017 Request for Information, Item 29. The response states that, beginning July 2016, a portion of the gas used to operate Cane Run unit 7 was purchased on a forward basis. Provide the amount paid under the forward basis versus what would have been paid if a forward basis had not been used.

A-1.

The information requested is contained in the table below. The monthly price of the Cane Run 7 forward purchases is the same for each day of the respective month. The expected price without forward purchases reflects the average spot price for the remainder of Cane Run 7's natural gas supply during the month. The blended price is the weighted average of Cane Run 7's forward and spot gas prices.

<b>Forward gas purchases for CR7 (\$/MMBtu)</b>			
<b>2016 Month</b>	<b>Forward Purchase Price</b>	<b>Expected Price without Forward Purchases</b>	<b>Blended Price with Forward Purchases</b>
JUL	\$2.5150	\$2.6902	\$2.6548
AUG	\$2.5850	\$2.6801	\$2.6580
SEP	\$2.5012	\$2.8622	\$2.7756
OCT	\$2.6825	\$2.8456	\$2.7999

LG&E discussed the fuel strategy for Cane Run 7 with Commission staff during two informal conferences, on January 28, 2016 and August 11, 2016. The fuel strategy's goals are to maintain a reliable fuel supply and reduce customer bill volatility related to fuel costs. An illustration of the reduction in gas price volatility for the July 2016 forward gas purchases was provided in the August 11, 2016 presentation. The graph below illustrates the monthly reduction in price volatility across the four month period of July through October 2016 as a result of the forward gas purchases for Cane Run 7's fuel supply. Each month's results are indexed to the 4 month weighted averages. Values closer to 100 reflect less volatility.



**LOUISVILLE GAS AND ELECTRIC COMPANY**

**Response to Commission Staff's Post Hearing Request for Information  
in Commission's Order Dated April 21, 2017**

**Case No. 2017-00004**

**Question No. 2**

**Witness: Derek Rahn**

- Q-2. If a final Order is issued in LG&E's current base rate proceeding before a final Order is issued in this proceeding, provide an updated response to the Commission's February 6, 2017 Request for Information, Item 16, to show the effect of LG&E's proposed decrease in base fuel costs on base rates.
- A-2. See attached. In developing the attachment, the Company utilized the rates developed and presented in the Stipulation and Recommendation filed in Case No. 2016-00371 on April 19, 2017.

## Louisville Gas and Electric Company Revised Tariffs

STIPULATION filed

4/19/2017

Tariff Sheet No.	Rate Schedule	Base Rates --		Existing Fuel Component of Base Rates	Existing Base Rate -- Excluding Fuel Base	Revised Fuel Component of Base Rates	Revised Base Rates including Fuel and ECR				
		Energy, Fuel and ECR									
5	RS	\$	0.09268	\$	0.02725	\$	0.06543	\$	0.02428	\$	0.08971
6	RTOD - Energy										
	Off Peak	\$	0.06780	\$	0.02725	\$	0.04055	\$	0.02428	\$	0.06483
	On Peak	\$	0.23263	\$	0.02725	\$	0.20538	\$	0.02428	\$	0.22966
7	RTOD - Demand	\$	0.05051	\$	0.02725	\$	0.02326	\$	0.02428	\$	0.04754
9	VFD	\$	0.09268	\$	0.02725	\$	0.06543	\$	0.02428	\$	0.08971
10	GS	\$	0.09967	\$	0.02725	\$	0.07242	\$	0.02428	\$	0.09670
15	PS										
	Secondary	\$	0.04070	\$	0.02725	\$	0.01345	\$	0.02428	\$	0.03773
	Primary	\$	0.03924	\$	0.02725	\$	0.01199	\$	0.02428	\$	0.03627
20	TODS	\$	0.04037	\$	0.02725	\$	0.01312	\$	0.02428	\$	0.03740
22	TODP	\$	0.03816	\$	0.02725	\$	0.01091	\$	0.02428	\$	0.03519
25	RTS	\$	0.03688	\$	0.02725	\$	0.00963	\$	0.02428	\$	0.03391
30	FLS										
	Primary	\$	0.03816	\$	0.02725	\$	0.01091	\$	0.02428	\$	0.03519
	Transmission	\$	0.03688	\$	0.02725	\$	0.00963	\$	0.02428	\$	0.03391
37	LE	\$	0.06934	\$	0.02725	\$	0.04209	\$	0.02428	\$	0.06637
38	TE	\$	0.08299	\$	0.02725	\$	0.05574	\$	0.02428	\$	0.08002
79	SPS	\$	0.04071	\$	0.02725	\$	0.01346	\$	0.02428	\$	0.03774
80	STOD	\$	0.04049	\$	0.02725	\$	0.01324	\$	0.02428	\$	0.03752
81	OSL										
	Secondary	\$	0.04070	\$	0.02725	\$	0.01345	\$	0.02428	\$	0.03773
	Primary	\$	0.03924	\$	0.02725	\$	0.01199	\$	0.02428	\$	0.03627
<b>Special Contracts</b>											
	Louisville Water Company	\$	0.03871	\$	0.02725	\$	0.01146	\$	0.02428	\$	0.03574

**LOUISVILLE GAS AND ELECTRIC COMPANY**  
**LIGHTING SCHEDULES; ALL RATES PER UNIT PER MONTH**

Page	Schedule	Kwh per year	Fuel Factor Increase \$/kWh (0.00297)	Annual Increase per year	Monthly Increase	Tariff STIPULATION filed 4/19/2017	Revised	
35	LS Lighting Service							
	Overhead Service							
	Rate Code Type of Fixture	Approximate Lumens	kW Per Light					
	High Pressure Sodium							
	452 Cobra Head	16,000	0.181	724 kWh/year	(2.15)	(0.18)	13.78	13.60
	453 Cobra Head	28,500	0.294	1,176 kWh/year	(3.49)	(0.29)	16.17	15.88
	454 Cobra Head	50,000	0.471	1,884 kWh/year	(5.60)	(0.47)	18.61	18.14
	455 Directional	16,000	0.181	724 kWh/year	(2.15)	(0.18)	14.73	14.55
	456 Directional	50,000	0.471	1,884 kWh/year	(5.60)	(0.47)	19.44	18.97
	457 Open Bottom	9,500	0.117	468 kWh/year	(1.39)	(0.12)	11.93	11.81
	Metal Halide							
	473 Directional	32,000	0.350	1,400 kWh/year	(4.16)	(0.35)	19.89	19.54
	Light Emitting Diode (LED)							
	490 Cobra Head	8,179	0.080	320 kWh/year	(0.95)	(0.08)	14.36	14.28
	491 Cobra Head	14,166	0.134	536 kWh/year	(1.59)	(0.13)	17.43	17.30
	492 Cobra Head	23,214	0.228	912 kWh/year	(2.71)	(0.23)	26.75	26.52
	493 Open Bottom	5,007	0.050	200 kWh/year	(0.59)	(0.05)	9.48	9.43
35.1	LS Lighting Service							
	Underground Service							
	Rate Code Type of Fixture	Approximate Lumens	kW Per Light					
	High Pressure Sodium							
	412 Colonial, 4 sided	5,800	0.083	332 kWh/year	(0.99)	(0.08)	21.35	21.27
	413 Colonial, 4 sided	9,500	0.117	468 kWh/year	(1.39)	(0.12)	22.11	21.99
	444 Colonial, 4 sided	16,000	0.181	724 kWh/year	(2.15)	(0.18)	22.24	22.06
	415 Acorn	5,800	0.083	332 kWh/year	(0.99)	(0.08)	21.75	21.67
	416 Acorn	9,500	0.117	468 kWh/year	(1.39)	(0.12)	24.23	24.11
	445 Acorn	16,000	0.181	724 kWh/year	(2.15)	(0.18)	24.23	24.05
	427 London	5,800	0.083	332 kWh/year	(0.99)	(0.08)	37.16	37.08
	429 London	9,500	0.117	468 kWh/year	(1.39)	(0.12)	37.15	37.03
	431 Victorian	5,800	0.083	332 kWh/year	(0.99)	(0.08)	34.84	34.76
	433 Victorian	9,500	0.117	468 kWh/year	(1.39)	(0.12)	36.99	36.87
	400 Dark Sky	4,000	0.060	240 kWh/year	(0.71)	(0.06)	25.33	25.27
	401 Dark Sky	9,500	0.117	468 kWh/year	(1.39)	(0.12)	25.98	25.86
	956 Victorian/London Bases				-	-	3.72	3.72
	423 Cobra Head	16,000	0.181	724 kWh/year	(2.15)	(0.18)	28.55	28.37
	424 Cobra Head	28,500	0.294	1,176 kWh/year	(3.49)	(0.29)	30.88	30.59
	425 Cobra Head	50,000	0.471	1,884 kWh/year	(5.60)	(0.47)	36.86	36.39
35.2	LS Lighting Service							
	Underground Service							
	Rate Code Type of Fixture	Approximate Lumens	kW Per Light					
	High Pressure Sodium							
	439 Contemporary	16,000	0.181	724 kWh/year	(2.15)	(0.18)	17.42	17.24
	420 Contemporary	16,000	0.181	724 kWh/year	(2.15)	(0.18)	32.25	32.07
	440 Contemporary	28,500	0.294	1,176 kWh/year	(3.49)	(0.29)	19.37	19.08
	421 Contemporary	28,500	0.294	1,176 kWh/year	(3.49)	(0.29)	34.83	34.54
	441 Contemporary	50,000	0.471	1,884 kWh/year	(5.60)	(0.47)	23.55	23.08
	422 Contemporary	50,000	0.471	1,884 kWh/year	(5.60)	(0.47)	40.64	40.17
	Metal Halide							
	481 Contemporary	32,000	0.350	1,400 kWh/year	(4.16)	(0.35)	21.67	21.32
	482 Contemporary	32,000	0.350	1,400 kWh/year	(4.16)	(0.35)	32.84	32.49
	Light Emitting Diode (LED)							
	496 Cobra Head	8,179	0.080	320 kWh/year	(0.95)	(0.08)	52.66	52.58
	497 Cobra Head	14,166	0.134	536 kWh/year	(1.59)	(0.13)	55.73	55.60
	498 Cobra Head	23,214	0.228	912 kWh/year	(2.71)	(0.23)	65.05	64.82
	499 Colonial, 4-sided	5,665	0.068	272 kWh/year	(0.81)	(0.07)	45.46	45.39



**LOUISVILLE GAS AND ELECTRIC COMPANY  
LIGHTING SCHEDULES; ALL RATES PER UNIT PER MONTH**

Page	Schedule	Kwh per year	Fuel Factor Increase \$/kWh (0.00297)	Annual Increase per year	Monthly Increase	Tariff STIPULATION filed 4/19/2017	Revised
36	RLS Restricted Lighting Service						
	Overhead Service						
	Rate Code Type of Fixture	Approximate Lumens	kW Per Light				
	Mercury Vapor						
	252 Cobra/Open Bottom	8,000	0.210	840 kWh/year	(2.49)	(0.21)	10.51 10.30
	203 Cobra Head	13,000	0.298	1,192 kWh/year	(3.54)	(0.30)	11.99 11.69
	204 Cobra Head	25,000	0.462	1,848 kWh/year	(5.49)	(0.46)	14.78 14.32
	209 Cobra Head	60,000	1.180	4,720 kWh/year	(14.02)	(1.17)	30.21 29.04
	207 Directional	25,000	0.462	1,848 kWh/year	(5.49)	(0.46)	16.86 16.40
	210 Directional	60,000	1.180	4,720 kWh/year	(14.02)	(1.17)	31.44 30.27
	201 Open Bottom	4,000	0.100	400 kWh/year	(1.19)	(0.10)	8.99 8.89
	Metal Halide						
	470 Directional	12,000	0.150	600 kWh/year	(1.78)	(0.15)	13.81 13.66
	471 Directional	12,000	0.150	600 kWh/year	(1.78)	(0.15)	16.50 16.35
	474 Directional	32,000	0.350	1,400 kWh/year	(4.16)	(0.35)	22.18 21.83
	475 Directional	32,000	0.350	1,400 kWh/year	(4.16)	(0.35)	29.64 29.29
	476 Directional	107,800	1.080	4,320 kWh/year	(12.83)	(1.07)	42.04 40.97
	477 Directional	107,800	1.080	4,320 kWh/year	(12.83)	(1.07)	45.23 44.16
36.1	RLS Restricted Lighting Service						
	Overhead Service continued						
	Rate Code Type of Fixture	Approximate Lumens	kW Per Light				
	Wood Pole						
	958 Installed Before 3/1/2010				-	-	11.32 11.32
	900 Installed Before 7/1/2004				-	-	2.15 2.15
	Underground Service						
	Rate Code Type of Fixture	Approximate Lumens	kW Per Light				
	High Pressure Sodium						
	275 Cobra/Contemporary	16,000	0.181	724 kWh/year	(2.15)	(0.18)	27.02 26.84
	266 Cobra/Contemporary	28,500	0.294	1,176 kWh/year	(3.49)	(0.29)	29.72 29.43
	267 Cobra/Contemporary	50,000	0.471	1,884 kWh/year	(5.60)	(0.47)	34.11 33.64
	276 Coach/Acorn	5,800	0.083	332 kWh/year	(0.99)	(0.08)	15.88 15.80
	274 Coach/Acorn	9,500	0.117	468 kWh/year	(1.39)	(0.12)	19.08 18.96
	277 Coach/Acorn	16,000	0.181	724 kWh/year	(2.15)	(0.18)	23.70 23.52
	279 Contemporary	120,000	1.000	4,000 kWh/year	(11.88)	(0.99)	45.11 44.12
	278 Contemporary	120,000	1.000	4,000 kWh/year	(11.88)	(0.99)	76.24 75.25
	417 Acorn, Bronze	9,500	0.117	468 kWh/year	(1.39)	(0.12)	25.38 25.26
	419 Acorn, Bronze	16,000	0.180	720 kWh/year	(2.14)	(0.18)	26.97 26.79
	280 Victorian	5,800	0.083	332 kWh/year	(0.99)	(0.08)	21.33 21.25
	281 Victorian	9,500	0.117	468 kWh/year	(1.39)	(0.12)	22.38 22.26
	282 London	5,800	0.083	332 kWh/year	(0.99)	(0.08)	21.49 21.41
	283 London	9,500	0.117	468 kWh/year	(1.39)	(0.12)	22.88 22.76

**LOUISVILLE GAS AND ELECTRIC COMPANY  
LIGHTING SCHEDULES; ALL RATES PER UNIT PER MONTH**

## 36.2 RLS Restricted Lighting Service

Underground Service		Approximate							
Rate Code	Type of Fixture	Lumens	kW Per Light						
<b>High Pressure Sodium</b>									
426	London	5,800	0.083	332 kWh/year	(0.99)	(0.08)	35.13	35.05	
428	London	9,500	0.117	468 kWh/year	(1.39)	(0.12)	36.07	35.95	
430	Victorian	5,800	0.083	332 kWh/year	(0.99)	(0.08)	34.15	34.07	
432	Victorian	9,500	0.117	468 kWh/year	(1.39)	(0.12)	36.31	36.19	
<b>Victorian/London Bases</b>									
950	Old Town				-	-	3.63	3.63	
951	Chesapeake				-	-	3.83	3.83	
<b>Poles</b>									
901	10' Smooth Pole				-	-	10.82	10.82	
902	10' Fluted Pole				-	-	12.91	12.91	
<b>Mercury Vapor</b>									
318	Cobra Head	8,000	0.210	840 kWh/year	(2.49)	(0.21)	18.55	18.34	
314	Cobra Head	13,000	0.298	1,192 kWh/year	(3.54)	(0.30)	20.44	20.14	
315	Cobra Head	25,000	0.462	1,848 kWh/year	(5.49)	(0.46)	24.46	24.00	
206	Coach	4,000	0.100	400 kWh/year	(1.19)	(0.10)	13.41	13.31	
208	Coach	8,000	0.210	840 kWh/year	(2.49)	(0.21)	15.29	15.08	
<b>Metal Halide</b>									
479	Contemporary	12,000	0.150	600 kWh/year	(1.78)	(0.15)	15.46	15.31	
480	Contemporary	12,000	0.150	600 kWh/year	(1.78)	(0.15)	25.97	25.82	
483	Contemporary	107,800	1.080	4,320 kWh/year	(12.83)	(1.07)	45.01	43.94	
484	Contemporary	107,800	1.080	4,320 kWh/year	(12.83)	(1.07)	56.16	55.09	
<b>Incandescent</b>									
349	Continental Jr.	1,500	0.102	408 kWh/year	(1.21)	(0.10)	9.57	9.47	
348	Continental Jr.	6,000	0.447	1,788 kWh/year	(5.31)	(0.44)	13.93	13.49	