

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

**In the Matter of:**

<b>AN ELECTRONIC EXAMINATION BY THE</b>	)	
<b>PUBLIC SERVICE COMMISSION OF THE</b>	)	
<b>ENVIRONMENTAL SURCHARGE</b>	)	
<b>MECHANISM OF KENTUCKY UTILITIES</b>	)	<b>CASE NO. 2017-00266</b>
<b>COMPANY FOR THE TWO-YEAR BILLING</b>	)	
<b>PERIOD ENDING APRIL 30, 2017</b>	)	

**RESPONSE OF**  
**KENTUCKY UTILITIES COMPANY**  
  
**TO THE COMMISSION STAFF'S SECOND REQUEST FOR INFORMATION**  
**DATED SEPTEMBER 11, 2017**

**FILED: SEPTEMBER 25, 2017**

VERIFICATION

COMMONWEALTH OF KENTUCKY )  
 ) SS:  
COUNTY OF JEFFERSON )

The undersigned, **Heather D. Metts**, being duly sworn, deposes and says that she is Director – Regulatory Accounting & Reporting for LG&E and KU Services Company, and that she has personal knowledge of the matters set forth in the responses for which she is identified as the witness, and the answers contained therein are true and correct to the best of her information, knowledge and belief.

Heather D. Metts  
Heather D. Metts

Subscribed and sworn to before me, a Notary Public in and before said County and State, this 15<sup>th</sup> day of September \_\_\_\_\_ 2017.

Judy Schooler (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 A. 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 A. Rahn**

Subscribed and sworn to before me, a Notary Public in and before said County and State, this 15<sup>th</sup> day of September 2017.



**Judy Schouler** (SEAL)  
Notary Public

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

**KENTUCKY UTILITIES COMPANY**

**Response to the Commission Staff's Second Request for Information  
Dated September 11, 2017**

**Case No. 2017-00266**

**Question No. 1**

**Witness: Derek A. Rahn**

- Q-1. Refer to KU's response to Commission Staff's First Request for Information ("Staff's First Request"), Item 2, Attachment, page 3 of 3, wherein KU indicates an under-recovery of \$209,518 as a result of using 12-month average revenues to determine KU's monthly billing factors. In Excel spreadsheet format with all formulas intact and unprotected and all rows and columns accessible, provide the calculation of the \$209,518 under-recovery as a result of using 12-month average revenues to determine KU's monthly billing factor.
- A-1. See attached spreadsheet in Excel format.

The attachment is being provided in a separate file in Excel format.

**KENTUCKY UTILITIES COMPANY**

**Response to the Commission Staff's Second Request for Information  
Dated September 11, 2017**

**Case No. 2017-00266**

**Question No. 2**

**Witness: Heather D. Metts / Derek A. Rahn**

- Q-2. Refer to KU's response to Staff's First Request, Item 4, page 2 of 3, wherein KU indicates that incorrectly classified expenses from January 2017 "will be corrected in August 2017."
- a. Explain whether the correction is included in the monthly report filed August 18, 2017, or whether it will be included in the monthly report for the August 2017 expense month.
  - b. Explain why KU chose to include the correction in the monthly report instead of in the over-/under-recovery calculation for the review period.
- A-2.
- a. The correction will be included in the monthly report for the August 2017 expense month that will be filed on September 19, 2017.
  - b. KU's practice is to have the monthly filing match the general ledger. The general ledger will reflect the correction in the August 2017 expense month.