

COMMONWEALTH OF KENTUCKY
BEFORE THE PUBLIC SERVICE COMMISSION

IN THE MATTER OF:

ELECTRONIC JOINT APPLICATION OF)	
LOUISVILLE GAS AND ELECTRIC)	
COMPANY AND KENTUCKY UTILITIES)	
COMPANY FOR REVIEW, MODIFICATION,)	CASE NO. 2017-00441
AND CONTINUATION OF CERTAIN)	
EXISTING DEMAND-SIDE MANAGEMENT)	
AND ENERGY EFFICIENCY PROGRAMS)	

OBJECTIONS AND RESPONSES OF
WAL-MART STORES EAST, LP, AND SAM'S EAST, INC.

TO

COMMISSION STAFF'S
INITIAL DATA REQUESTS

DATED APRIL 6, 2018

FILED: APRIL 19, 2018

WAL-MART STORES EAST, LP, AND SAM'S EAST, INC.

CASE NO. 2017-00441

**Objections and Responses to Commission Staff's
Initial Data Requests
Dated April 6, 2018**

Question No. 1

Responding Witness: Kenneth E. Baker

1. Refer to page 12, lines 5-6, of the Direct Testimony of Kenneth E. Baker ("Baker Testimony"), where Mr. Baker recommends, on behalf of Wal-Mart, using a minimum average monthly load factor of 60 percent as a measureable indicator of energy intensity.
 - a. Explain why a load factor of 60 percent was chosen.
 - b. Provide the 2017 average load factor of each Wal-Mart and Sam's store in the Louisville Gas and Electric Company and Kentucky Utilities Company (collectively "LG&E/KU") service territory.

RESPONSE:

In response to Question No. 1(a), Walmart states that it calculated the average load factor for the Time of Day Second Rate Class ("TODS") using the information supplied by KU's Witness Seelye in its most recent general rate case. *See* Case No. 2016-00370, Direct Testimony of William Steven Seelye ("Seelye Direct") at Ex. WSS-19 at p. 36. That calculation indicated that the average load factor for TODS was approximately 51.8 percent. Walmart proposed a 60 percent load factor to reflect an average load factor that was demonstrably in excess of the TODS average.

For its response to Question No. 1(b), Walmart refers Staff to the excel spreadsheet being produced **confidentially** as Exhibit A.

WAL-MART STORES EAST, LP, AND SAM'S EAST, INC.

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Question No. 2

Responding Witnesses: Kenneth E. Baker

2. Refer to page 12, lines 14-15, of the Baker Testimony, where Mr. Baker recommends, on behalf of Wal-Mart, a proposal where very large customers with loads above 5 MW would be able to opt-out of cost responsibility for LG&E/KU's demand-side management ("DSM") programs regardless of the customer's load factor.
 - a. Explain why 5 MW was chosen.
 - b. Provide the monthly loads for 2017 for each Wal-Mart and Sam's store in LG&E/KU's service territory.

OBJECTION AND RESPONSE:

In response to Question No. 2(a), Walmart states that Mr. Baker's testimony did not make a proposal that very large customers with loads above 5 MW be able to opt-out regardless of load factor. Rather, Mr. Baker indicated that Walmart would not oppose such a proposal if made by another party, the Staff or the Kentucky Public Service Commission ("Commission"). To explain what was meant by the phrase "very large customer," Walmart included 5 MW merely as an example.

Walmart objects to Question No. 2(b) as overly broad and unduly burdensome. Walmart further objects to Request No. 2(b) to the extent it seeks production of competitively sensitive information that is not relevant to LG&E/KU's Application or Walmart's testimony in this matter. Subject to and without waiving the foregoing objections, Walmart refers Staff to the spreadsheet being produced **confidentially** as Exhibit A, which identifies the 2017 annual load of each Walmart location in the LG&E/KU's service territory.

WAL-MART STORES EAST, LP, AND SAM'S EAST, INC.

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Question No. 3

Responding Witness: Kenneth E. Baker

3. Refer to page 17, lines 3-5, of the Baker Testimony, where Mr. Baker recommends, on behalf of Wal-Mart, that an aggregated level of annual usage of 15 million kWh aggregated across all sites in a particular utility territory be the benchmark level to be used to allow nonresidential customers to elect to not participate in LG&E's or KU's DSM program. Provide the details of any Commission approved self-directed programs other than Oklahoma and the benchmark standard used in each such program.

RESPONSE:

Mr. Baker's testimony did not rely on benchmarks in states other than Oklahoma, however, various states have opt-out or self-direct programs, including Arizona, Arkansas, Colorado, Idaho, Michigan, Minnesota, Missouri, Montana, New Mexico, New York, North Carolina, Ohio, South Carolina, Virginia, and West Virginia. The basic parameters of these programs are summarized by the American Council for an Energy-Efficient Economy, available at <https://database.aceee.org/state/self-direct>.

WAL-MART STORES EAST, LP, AND SAM'S EAST, INC.

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Question No. 4

Responding Witness: Kenneth E. Baker

4. Refer to page 17, lines 13-16, of the Baker Testimony, where Mr. Baker suggests, on behalf of Wal-Mart, an annual reduction in energy usage of 2.5 percent as a reasonable energy usage reduction requirement. Explain why this level was chosen as a benchmark.

RESPONSE:

As reflected in Walmart's testimony, the 2.5 percent was offered merely as an example and was not tied to any recommended or particular benchmark. Walmart's primary point in offering an example was to make clear that it would be reasonable to tie those energy usage reduction requirements to whatever overall reduction requirement is applied to the utilities.

By way of further reference, however, Walmart notes that the testimony of LG&E/KU's Witness Gregory S. Lawson indicated that it was a goal of the School Energy Management Program ("SEMP") to reduce the energy consumption of each school district by an annual rate of 2.5 percent. *See* Testimony of Gregory S. Lawson, Ex. GSL-1 at p. 41. Mr. Baker's testimony merely borrowed that annual percentage rate when offering his explanation of how an annual reduction requirement imposed on customers would operate.

Notes:

Due to ratchets including in base KW billing, used the maximum of the on-peak and off-peak KW readings for each bill.

For accounts with KVA to KW conversion, annual load factor uses the maximum converted monthly KW value.

Excluded non-demand billed accounts and accounts with maximum billed KW below 200 KW.

CONFIDENTIAL AND PROPRIETARY BUSINESS INFORMATION - PUBLIC VERSION

KW-ON PEAK	[REDACTED]											
TOTAL KWH	[REDACTED]											
Average Load Factor	[REDACTED]											

Store: 01-0571 (GEORGETOWN, KY)

	MAR 2017	APR 2017	MAY 2017	JUN 2017	JUL 2017	AUG 2017	SEP 2017	OCT 2017	NOV 2017	DEC 2017	JAN 2018	FEB 2018	TOTAL
ELECTRIC	[REDACTED]												
KW-OFF PEAK	[REDACTED]												
KW-ON PEAK	[REDACTED]												
TOTAL KWH	[REDACTED]												
Average Load Factor	[REDACTED]												

Store: 01-0294 (CENTRAL CITY, KY)

	MAR 2017	APR 2017	MAY 2017	JUN 2017	JUL 2017	AUG 2017	SEP 2017	OCT 2017	NOV 2017	DEC 2017	JAN 2018	FEB 2018	TOTAL
ELECTRIC	[REDACTED]												
KW-OFF PEAK	[REDACTED]												
KW-ON PEAK	[REDACTED]												
TOTAL KWH	[REDACTED]												
Average Load Factor	[REDACTED]												

Store: 18-5188 (LEXINGTON, KY)

	MAR 2017	APR 2017	MAY 2017	JUN 2017	JUL 2017	AUG 2017	SEP 2017	OCT 2017	NOV 2017	DEC 2017	JAN 2018	FEB 2018	TOTAL
ELECTRIC	[REDACTED]												
KW-OFF PEAK	[REDACTED]												
KW-ON PEAK	[REDACTED]												
TOTAL KWH	[REDACTED]												
Average Load Factor	[REDACTED]												

Store: 01-1569 (MAXSVILLE, KY)

	MAR 2017	APR 2017	MAY 2017	JUN 2017	JUL 2017	AUG 2017	SEP 2017	OCT 2017	NOV 2017	DEC 2017	JAN 2018	FEB 2018	TOTAL
ELECTRIC	[REDACTED]												
KW-OFF PEAK	[REDACTED]												
KW-ON PEAK	[REDACTED]												
TOTAL KWH	[REDACTED]												
Average Load Factor	[REDACTED]												

Store: 01-0445 (LEITCHFIELD, KY)

	MAR 2017	APR 2017	MAY 2017	JUN 2017	JUL 2017	AUG 2017	SEP 2017	OCT 2017	NOV 2017	DEC 2017	JAN 2018	FEB 2018	TOTAL
ELECTRIC	[REDACTED]												
KW-OFF PEAK	[REDACTED]												
KW-ON PEAK	[REDACTED]												
TOTAL KWH	[REDACTED]												
Average Load Factor	[REDACTED]												

Store: 01-0493 (PARIS, KY)

	MAR 2017	APR 2017	MAY 2017	JUN 2017	JUL 2017	AUG 2017	SEP 2017	OCT 2017	NOV 2017	DEC 2017	JAN 2018	FEB 2018	TOTAL
ELECTRIC	[REDACTED]												
KW-OFF PEAK	[REDACTED]												
KW-ON PEAK	[REDACTED]												
TOTAL KWH	[REDACTED]												
Average Load Factor	[REDACTED]												

Store: 01-2783 (LEXINGTON (NE), KY)

	MAR 2017	APR 2017	MAY 2017	JUN 2017	JUL 2017	AUG 2017	SEP 2017	OCT 2017	NOV 2017	DEC 2017	JAN 2018	FEB 2018	TOTAL
ELECTRIC	[REDACTED]												
KW-OFF PEAK	[REDACTED]												
KW-ON PEAK	[REDACTED]												
TOTAL KWH	[REDACTED]												
Average Load Factor	[REDACTED]												

CONFIDENTIAL AND PROPRIETARY BUSINESS INFORMATION - PUBLIC VERSION

	MAR 2017	APR 2017	MAY 2017	JUN 2017	JUL 2017	AUG 2017	SEP 2017	OCT 2017	NOV 2017	DEC 2017	JAN 2018	FEB 2018	TOTAL
ELECTRIC													
KW-OFF PEAK													
KW-ON PEAK													
TOTAL KWH													
Average Load Factor													

Store: 01-0655 (HANSON, KY)

	MAR 2017	APR 2017	MAY 2017	JUN 2017	JUL 2017	AUG 2017	SEP 2017	OCT 2017	NOV 2017	DEC 2017	JAN 2018	FEB 2018	TOTAL
ELECTRIC													
KW-OFF PEAK													
KW-ON PEAK													
TOTAL KWH													
Average Load Factor													

Excluded Accounts

- Store: 59-0655 (HANSON KENTUCKY)
- Store: 59-5135 (RADCLIFF KENTUCKY)
- Store: 01-0655 (HANSON, KY)
- Store: 01-0689 (SOMERSET, KY)
- Store: 01-0571 (GEORGETOWN, KY)
- Store: 01-0493 (PARIS, KY)
- Store: 01-0493 (PARIS, KY)
- Store: 01-2968 (CARROLLTON, KY)
- Store: 18-8188 (LEXINGTON, KY)
- Store: 01-0545 (MANCHESTER, KY)

CONFIDENTIAL AND PROPRIETARY BUSINESS INFORMATION - PUBLIC VERSION

	MAR 2017	APR 2017	MAY 2017	JUN 2017	JUL 2017	AUG 2017	SEP 2017	OCT 2017	NOV 2017	DEC 2017	JAN 2018	FEB 2018	TOTAL
KW-ON PEAK													
TOTAL KWH													
Annual Load Factor													

Store: 01-5297 (ST MATTHEWS (WNM), KY)

ELECTRIC													
KW-OFF PEAK													
KW-ON PEAK													
TOTAL KWH													
Annual Load Factor													

Store: 01-5183 (JEFFERSONTOWN (WNM), KY)

	MAR 2017	APR 2017	MAY 2017	JUN 2017	JUL 2017	AUG 2017	SEP 2017	OCT 2017	NOV 2017	DEC 2017	JAN 2018	FEB 2018	TOTAL
ELECTRIC													
KW-OFF PEAK													
KW-ON PEAK													
TOTAL KWH													
Annual Load Factor													

Store: 01-4523 (LOUISVILLE (WNM), KY)

	MAR 2017	APR 2017	MAY 2017	JUN 2017	JUL 2017	AUG 2017	SEP 2017	OCT 2017	NOV 2017	DEC 2017	JAN 2018	FEB 2018	TOTAL
ELECTRIC													
KW-OFF PEAK													
KW-ON PEAK													
TOTAL KWH													
Annual Load Factor													

Store: 01-4450 (MIDDLETOWN, KY)

	MAR 2017	APR 2017	MAY 2017	JUN 2017	JUL 2017	AUG 2017	SEP 2017	OCT 2017	NOV 2017	DEC 2017	JAN 2018	FEB 2018	TOTAL
ELECTRIC													
KVA-OFF PEAK													
KVA-ON PEAK													
POWER FACTOR-OFF PEAK													
POWER FACTOR-ON PEAK													
TOTAL KWH													

Power Factor
kVa to kW Conversion
Annual Load Factor

Store: 01-3610 (LOUISVILLE (NW), KY)

	MAR 2017	APR 2017	MAY 2017	JUN 2017	JUL 2017	AUG 2017	SEP 2017	OCT 2017	NOV 2017	DEC 2017	JAN 2018	FEB 2018	TOTAL
ELECTRIC													
KVA-OFF PEAK													
KVA-ON PEAK													
POWER FACTOR-OFF PEAK													
POWER FACTOR-ON PEAK													
TOTAL KWH													

Power Factor

CONFIDENTIAL AND PROPRIETARY BUSINESS INFORMATION - PUBLIC VERSION

kVa to kW Conversion
Annual Load Factor

Store: 01-4118 (SHEPHERDSVILLE, KY)

	MAR 2017	APR 2017	MAY 2017	JUN 2017	JUL 2017	AUG 2017	SEP 2017	OCT 2017	NOV 2017	DEC 2017	JAN 2018	FEB 2018	TOTAL
ELECTRIC													
KVA-OFF PEAK													
KVA-ON PEAK													
POWER FACTOR-OFF PEAK													
POWER FACTOR-ON PEAK													
TOTAL KWH													

Power Factor
kVa to kW Conversion
Annual Load Factor

Store: 01-7290 (CRESTWOOD, KY)

	MAR 2017	APR 2017	MAY 2017	JUN 2017	JUL 2017	AUG 2017	SEP 2017	OCT 2017	NOV 2017	DEC 2017	JAN 2018	FEB 2018	TOTAL
ELECTRIC													
KVA-OFF PEAK													
KVA-ON PEAK													
POWER FACTOR-OFF PEAK													
POWER FACTOR-ON PEAK													
TOTAL KWH													

Power Factor
kVa to kW Conversion
Annual Load Factor

Store: 01-6931 (LOUISVILLE, KY)

	MAR 2017	APR 2017	MAY 2017	JUN 2017	JUL 2017	AUG 2017	SEP 2017	OCT 2017	NOV 2017	DEC 2017	JAN 2018	FEB 2018	TOTAL
ELECTRIC													
KVA-OFF PEAK													
KVA-ON PEAK													
POWER FACTOR-OFF PEAK													
POWER FACTOR-ON PEAK													
TOTAL KWH													

Power Factor
kVa to kW Conversion
Annual Load Factor

Excluded Accounts

- Store: 59-8276 (LOUISVILLE, KY)
- Store: 01-4118 (SHEPHERDSVILLE, KY)
- Store: 59-4118 (SHEPHERDSVILLE, KY)
- Store: 01-4524 (LOUISVILLE (WMM), KY)
- Store: 01-6931 (LOUISVILLE, KY)
- Store: 59-8111 (JEFFERSONTOWN, KY)

VERIFICATION

STATE OF ARKANSAS

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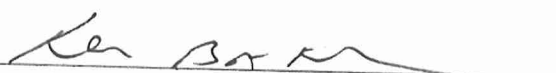
COUNTY OF BENTON

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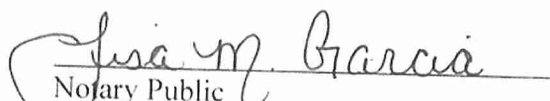
SS:

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The undersigned, Kenneth E. Baker, being duly sworn, deposes and says that he is Senior Manager of Sustainable Regulation for Walmart, Inc., and that he has personal knowledge of the matters set forth in the foregoing Responses, and that the answers contained herein is true and correct to the best of his information, knowledge, and belief.


Kenneth E. Baker

Subscribed and sworn to before me, a Notary Public in and before said County and State, this 19 day of April, 2018.

 (SEAL)
Notary Public

My Commission Expires:

