## **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

CASE NO. 2018-00294

# WALMART INC.'S RESPONSES TO LEXINGTON-FAYETTE URBAN COUNTY GOVERNMENT'S REQUEST FOR INFORMATION TO WALMART INC.

#### **REQUEST:**

- 1. Refer to page 23 the testimony of Gregory W. Tillman, at which he proposes that one quarter of any reduction in the revenue requirement increase should be applied to proportionately reduce the Company's proposed increase on the non-lighting classes with a current RROR greater than 100 percent.
  - a. Precisely identify what classes of customers are considered "lighting classes" for the purposes of Mr. Tillman's testimony (e.g., Lighting Energy, Traffic Energy, Lighting Service, Restricted Lighting Service, Outdoor Sports Lighting, etc.).
  - b. Explain the rationale for Mr. Tillman's proposal in which he suggests that twentyfive percent of any reduction in the revenue requirement increase should not be applied to reduce the Company's proposed increase on the nonlighting classes.

## **RESPONSE:**

- 1.
- a. For purposes of Mr. Tillman's testimony, the "lighting classes" include Lighting Energy Service or Rate, Traffic Energy Service or Rate, Lighting and Restricted Lighting, and Outdoor Sports Lighting.
- b. The purpose in Mr. Tillman's proposal is to provide a meaningful reduction in intraclass subsidies that presently exist between rate classes. Lighting classes were not specifically included in Mr. Tillman's proposal for a variety of reasons, including the fact that as a percentage of the Company's total revenue requirement, the lighting classes make up only a small percentage of the total. By applying 25 percent of any reduction in the revenue requirement to the major, non-lighting

classes with a RROR greater than 100 percent, the Commission can make a greater impact on reducing intra-class subsidies.

**RESPONDENT:** Counsel and Gregory W. Tillman, Senior Manager, Energy Regulatory Analysis

#### VERIFICATION

STATE OF ARKANSAS	)	
	)	SS:
COUNTY OF BENTON	)	

The undersigned, Gregory W. Tillman, being duly sworn, deposes and says that he is Senior Manager, Energy Regulatory Analysis 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.

Gregory W. Tillman

Subscribed and sworn to before me, a Notary Public in and before said County and State, this  $\underline{// }^{\underline{\#}}$  day of February, 2019.

(SEAL) Notary Public

My Commission Expires: @#/08/2020



#### **CERTIFICATE OF SERVICE**

I hereby certify that Walmart Inc.'s February 14, 2019, electronic filing is a true and accurate copy of the Walmart Inc.'s Responses to Lexington-Fayette Urban County Government's Requests for Information to Walmart Inc. to be filed in paper medium; and that on February 14, 2019, the electronic filing has been transmitted to the Commission, and that an original and one (1) copy of the filing will be delivered to the Commission, that no participants have been excused from electronic filing at this time, and served upon the following via Electronic Mail:

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Nor!

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