

**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 STAFF'S INITIAL REQUEST FOR  
INFORMATION TO WALMART INC.**

**REQUEST:**

1. Refer to the Direct Testimony of Gregory W. Tillman, pages 23-24, addressing the situation should the Commission approve a revenue requirement less than that proposed by Kentucky Utilities Company (KU) and setting forth Walmart's recommended allocation methodology regarding such reduction. Walmart proposes that 25 percent of any reduction in KU's proposed revenue requirement be applied proportionately to the non-lighting classes with a current relative return of greater than 100 percent. Additionally, Walmart proposes the remaining 75 percent of the reduction should be used to proportionately reduce KU's proposed increase to all rate classes.
  - a. Explain how the 25/75 allocation was chosen.
  - b. Confirm that Walmart's proposal to apply the remaining 75 percent of any revenue reduction proportionately to all rate classes would include the Lighting classes.

**RESPONSE:**

- a. Walmart considers the 25/75 allocation to be a reasonable and equitable split of any reduction in the proposed revenue requirement because it will allow for the reduction of intra-class subsidies imposed on the major rate classes while also ensuring that all customers benefit from any reduced revenue requirement.
- b. Confirmed.

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

VERIFICATION

STATE OF ARKANSAS

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) SS:

COUNTY OF BENTON

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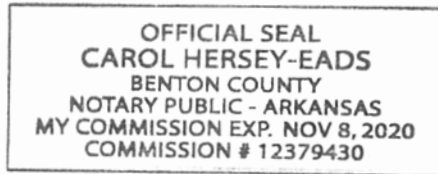
The undersigned, Gregory W. Tillman, being duly sworn, deposes and says that he is Senior Manager, Energy Regulatory Analysis for Walmart Inc., and that he has personal knowledge of the matters set forth in the foregoing Responses, and that the answers contained herein is true and correct to the best of his information, knowledge, and belief.

*Gregory W. Tillman*  
\_\_\_\_\_  
Gregory W. Tillman

Subscribed and sworn to before me, a Notary Public in and before said County and State, this 4<sup>th</sup> day of February, 2019.

*Carol Hersey-Eads* (SEAL)  
\_\_\_\_\_  
Notary Public

My Commission Expires: 11/08/2020



## 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 Staff's Initial 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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