COMMONWEALTH OF KENTUCKY

BEFORE THE PUBLIC SERVICE COMMISSION

In the Matter of:		
ELECTRONIC APPLICATION OF)	

) CASE NO. 2018-00295

LOUISVILLE GAS AND ELECTRIC

ELECTRIC AND GAS RATES

COMPANY FOR AN ADJUSTMENT OF ITS

RESPONSE OF
LOUISVILLE GAS AND ELECTRIC COMPANY
TO
FIRST SET OF DATA REQUESTS OF METROPOLITAN HOUSING
COALITION
DATED NOVEMBER 13, 2018

FILED: NOVEMBER 29, 2018

COMMONWEALTH OF KENTUCKY)
)
COUNTY OF JEFFERSON)

The undersigned, **Daniel K. Arbough**, being duly sworn, deposes and says that he is Treasurer for Kentucky Utilities Company and Louisville Gas and Electric Company and an employee of 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.

Daniel K. Arbough

Stille Schooler

My Commission Expires:

COMMONWEALTH OF KENTUCKY	
COUNTY OF JEFFERSON)

The undersigned, Robert M. Conroy, being duly sworn, deposes and says that he is Vice President, State Regulation and Rates, for Kentucky Utilities Company and Louisville Gas and Electric Company and an employee of 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.

Robert M. Conroy

Subscribed and sworn to before me, a Notary Public in and before said County and State, this 24th day of 12018.

Notary Public

My Commission Expires:

COMMONWEALTH OF KENTUCKY)
	1
COUNTY OF JEFFERSON	1

The undersigned, **Elizabeth J. McFarland**, being duly sworn, deposes and says that she is Vice President, Customer Services for Louisville Gas and Electric Company and Kentucky Utilities Company and an employee of 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.

Elizabeth J. McFarland

Notary Public

My Commission Expires:

10-16-2020

COMMONWEALTH OF KENTUCKY)
)
COUNTY OF JEFFERSON)

The undersigned, **William Steven Seelye**, being duly sworn, deposes and states that he is a Principal of The Prime Group, LLC, 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.

William Steven Seely

Subscribed and sworn to before me, a Notary Public in and before said County and

State, this John day of November 2018.

Selde Schooler (SEA

My Commission Expires:

COMMONWEALTH OF KENTUCKY)
COUNTY OF JEFFERSON	

The undersigned, **David S. Sinclair**, being duly sworn, deposes and says that he is Vice President, Energy Supply and Analysis for Kentucky Utilities Company and Louisville Gas and Electric Company and an employee of 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.

David S. Sinclair

Subscribed and sworn to before me, a Notary Public in and before said County and State, this 24th day of November 2018.

Josephode Notary Public

My Commission Expires:

COMMONWEALTH OF KENTUCKY)
)
COUNTY OF JEFFERSON)

The undersigned, **John K. Wolfe**, being duly sworn, deposes and says that he is Vice President, Electric Distribution for Kentucky Utilities Company and Louisville Gas and Electric Company and an employee of 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.

John K. Wolfe

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

July Schoole

My Commission Expires:

Response to First Set of Data Requests of Metropolitan Housing Coalition Dated November 13, 2018

Case No. 2018-00295

Question No. 1

Responding Witness: Robert M. Conroy / William S. Seelye

- Q-1. LG&E proposes an increase in the fixed meter charge for electricity and natural gas residential customers and an increase in aggregate cost of the CCF, KwH and distribution cost rates for residential customers. With respect to these proposals:
 - a. Please identify and provide, to the extent that it is not part of the filing, the justification for the increase in the fixed customer charges for electric and gas users. If part of the filing, please identify the location of the information.
 - b. The reason for breaking the per meter charge into each day according to the testimony of William Seelye (on page 18 of 439 Number 12 Testimony and Exhibit 3 of the filing of the application on 9/28/2018 at 8:40 a.m.) is that it was easier for a proration of bills at move out. Is it not harder for a ratepayer to have to figure out each month the number of days to be able to budget than to do the occasional move out?
 - c. Please identify the rationale for the belief that customer service would be enhanced or improved by breaking what is now one number for a KwH into two numbers.
 - d. Please provide any survey or questionnaire of residential ratepayers conducted to determine the level of understanding of the three components of the gas bill. If no such survey or questionnaire has been conducted, so state.
 - e. In the absence of such information, what is the basis for the conclusion in the Seelye Testimony at p. 20 that the change would improve the average customers understanding.
 - f. Please provide an illustrative example of how the information will be presented if approved by the Commission.
 - g. Please explain what adjustments will be made in the future and whether some part of it would be subject to increases when other parts are not?

A-1.

- a. See the testimony of Mr. Conroy at pages 14 15 and the testimony of Mr. Seelye at pages 13-25 and pages 52-54.
- b. No. The number of days for a typical month billing is not significantly different from month to month. Any variation in the amount of the Basic Service Charge from month to month will be minimal.
- c. The Company disagrees with the premise of the question. See the response to AG 1-162.
- d. No such survey or questionnaire was performed.
- e. It is Mr. Seelye's opinion and belief that more information available to customers will lead to a greater understanding on the part of customers. Likewise, withholding information from customers will never lead to greater understanding.
- f. With respect to the fixed meter charge referenced in the question, the Basic Service Charge will be presented on the bill as a daily rate times the number of days in the billing period. With respect to the energy charge, there will be no changes on the customer bill for the presentment of the energy charge. See the illustrative sample bill contained in the tariffs on Sheet No. 104.1 in Tab 4 of the Filling Requirements.
- g. The level of the charges will be changed as part of either a general rate case or a roll-in of a fuel-adjustment clause (FAC) or environmental surcharge (ECR) factor in base rates. Both components could be modified as a result of changes to base rates in a general rate case while the variable cost component could be modified as a result of an FAC or ECR roll-in.

Response to First Set of Data Requests of Metropolitan Housing Coalition Dated November 13, 2018

Case No. 2018-00295

Question No. 2

Responding Witness: Robert M. Conroy / Elizabeth J. McFarland

- Q-2. Testimony of Paul Thompson (Page 13 of 10 Testimony and Exhibits of LG&E 1 filed as part of the application on 9/28/2018) talks about commitment to low-income ratepayers.
 - a. Please explain whether the WeCare program is funded by the ratepayers or by shareholders, and if by both, the percentage of funding. Please explain further the source(s) of the ratepayer funding, and whether LG&E receives compensation (and at what amount) for management of the WeCare program.
 - b. Please identify and describe any and all shareholder money, employee compensated time and employee volunteer time allocated to low-income ratepayer assistance (Thompson, pages 11-13).
 - c. Is this type of contribution of money and time also given to Walmart or Kroger?
 - d. If not, please explain the basis for working with low-income ratepayers, and explain whether LG&E agrees that as a subgroup of the residential ratepaying class, low-income ratepayers have unique needs and challenges regarding maintenance of utility service.

A-2.

a. Consistent with KRS 278.285 and the Commission's orders pertaining to LG&E's demand-side management and energy efficiency programs, the Low Income Weatherization Program (WeCare) is funded by ratepayers through the Demand-Side Management Cost Recovery Mechanism (DSMRC) as approved by the Kentucky Public Service Commission. LG&E is compensated for the expense of the WeCare program, but does not currently receive an incentive for it because the net resource benefit is less than zero.

b. Shareholder money allocated to low-income ratepayer assistance (2008-2017):

Name	Brief Description	Amount (\$)
Home Energy Assistance (HEA)	Utility Bill Assistance	4,325,000
MetroMatch/ACM	Utility Bill Assistance	2,866,138
Project Warm	Weatherization	1,154,342
Community Winterhelp	Utility Bill Assistance	1,072,258
WinterCare	Utility Bill Assistance	757,371
Special Cold Weather	Agency Assistance (Polar Vortex)	405,500
Community Action KY	Annual Meeting Sponsorship and IT Expenses for Pledge Processing	68,878
Lexington Community Action Council (CAC)	Weatherization	22,100
Grand Total		10,671,587

The Company does not track employee compensated time allocated to low-income ratepayer assistance, but the Company hosts quarterly meetings that include agency and ministry staff that serve low-income clientele. In these meetings, the Company looks for ways to help agency and ministry staff better serve their clientele. Employees also serve on agency and organization boards that serve low-income clientele.

The Company also does not track employee volunteer time allocated to low-income ratepayer assistance, but the Company partners with Project Warm and Lexington CAC to host winter blitz events in November and employees volunteer to weatherize homes of senior citizens and disabled customers.

- c. No, LG&E does not contribute shareholder funds or employee volunteer time to Walmart or Kroger. LG&E does have compensated employees to provide customer service to large account holders, including Walmart and Kroger.
- d. LG&E understands that low- and fixed-income customers face challenges other customers ordinarily do not due to financial constraints; however, those customers' financial constraints do not affect their cost of service. Therefore, LG&E does not consider them to be unique for base-rate purposes.

LG&E's position is consistent with longstanding Commission precedent: "[T]he Commission concludes that customers' incomes and their participation in an energy payment assistance program are not reasonable considerations for establishing a customer class and that the rate preference and advantage given

Response to Question No. 2 Page 3 of 3 Conroy/McFarland

to Low Income Rate customers would be unreasonable." Citing that order, the Commission later stated, "The Commission is not statutorily empowered to create a special rate class to redistribute income ... The Commission has previously considered and rejected arguments that KRS 278.030(3) authorizes the establishment of rate classes based on income levels." It is therefore the sole prerogative of the General Assembly to create special rate considerations for low-income customers. For example, the General Assembly created a special ability to create home energy assistance programs under KRS 278.285(4). But absent such clear statutory authority, LG&E does not believe customers' income levels per se permit treating them differently for utility rate purposes.

¹ In the Matter of: Application for Adjustment of Electric Rates of Kentucky Power Company, Case No. 91-066, Order at 13 (Oct. 31, 1991).

² In the Matter of: Application of Louisville Gas and Electric Company for Approval of an Alternative Method of Regulation of Its Rates and Services, Case No. 98-426, Order at 109-110 (Jan. 7, 2000).

Response to First Set of Data Requests of Metropolitan Housing Coalition Dated November 13, 2018

Case No. 2018-00295

Question No. 3

Responding Witness: Daniel K. Arbough

- Q-3. In the testimony of Kent Blake (Page 28 of 10- Testimony and Exhibits of LG&E 1 filed as part of the application on 9/28/2018) He refers to the about increase in market interest.
 - a. What part of debt is not under PPL, LG&E or other entities that are part of the companies?
 - b. What part of the cost of proposed work will be financed by an arms-length transaction with a bank or other financial institution?
 - c. What part of the cost will be financed through internal mechanisms, including bonds?
 - d. Will the earned higher interest rates of self-financed debt factor into reducing costs to ratepayers?

A-3.

- a. None of LG&E's debt is due to PPL or any of its affiliates.
- b. All of the proposed work will be financed through the issuance of commercial paper in the public markets, bonds in the public capital markets, and loans from banks.
- c. None of the cost of proposed work will be financed through internal mechanisms.
- d. Not applicable.

Response to First Set of Data Requests of Metropolitan Housing Coalition Dated November 13, 2018

Case No. 2018-00295

Question No. 4

- Q-4. Please provide the percentage of increase in cost of utility service under the proposed rates and rate design, for a homebound person who has one 5,000 BTU window air conditioner that is five years old, running continuously to cool 200 square feet in August, with the temperature of the day ranging from 75 degrees as a low to 97 degrees as a high for a thirty-one day period. Please include the meter charge for a 31-day month.
- A-4. The Company has not performed an analysis of the energy consumption under the parameters posed in this data request. See Tab 67 of the Filing Requirements for the typical bill comparison under present and proposed rates at a range of usage levels.

Response to First Set of Data Requests of Metropolitan Housing Coalition Dated November 13, 2018

Case No. 2018-00295

Question No. 5

- Q-5. Please provide the dollar increase in cost in utility service under the proposed rates and rate design, for a homebound person who has one 5,000 BTU window air conditioner that is five years old, running continuously to cool 200 square feet in August with the temperature of the day ranging from 75 degrees as a low to 97 degrees as a high for a thirty-one day period. Please include the meter charge for a 31-day month.
- A-5. The Company has not performed an analysis of the energy consumption under the parameters posed in this data request. See Tab 67 of the Filing Requirements for the typical bill comparison under present and proposed rates at a range of usage levels.

Response to First Set of Data Requests of Metropolitan Housing Coalition Dated November 13, 2018

Case No. 2018-00295

Question No. 6

- Q-6. Please provide the increase in monthly customer charges in dollar amounts (and by percentage) for each category of user identified in Question 1-2b, if the Commission were to approve the requested increase in the monthly customer charge for being a gas or electric customer of LG&E.
- A-6. The reference to "Question 1-2b" appears to be incorrect. See Tab 67 of the Filing Requirements for the typical bill comparison under present and proposed rates at a range of usage levels.

Response to First Set of Data Requests of Metropolitan Housing Coalition Dated November 13, 2018

Case No. 2018-00295

Question No. 7

- Q-7. Please provide the increase in monthly customer charges in dollar amounts (and by percentage) for each category of user identified in Question 1-2b, if the amount sought in increased customer charge were instead reflected in a change in the volumetric rate.
- A-7. The reference to "Question 1-2b" appears to be incorrect. The Company does not agree with the hypothetical scenario of leaving the basic service charge at its present level. The Company is proposing basic service charges and volumetric rates consistent with its cost of service studies. With that said, for a residential electric customer, if the basic service charge remained at a daily rate of \$0.40 (equivalent to \$12.25 per month), the energy charge would need to be \$0.09851 per kWh in order to collect the same allocated revenue requirement. For a residential gas customer, if the basic service charge remained at a daily rate of \$0.54 (equivalent to \$16.35 per month), the distribution component would need to be \$4.5285 per MCF in order to collect the same allocated revenue requirement. See the response to PSC 1-54 for a bill impact analysis schedule (Schedule_M) provided in Excel format and adjust the rate design for the values above.

Response to First Set of Data Requests of Metropolitan Housing Coalition Dated November 13, 2018

Case No. 2018-00295

Question No. 8

Responding Witness: Robert M. Conroy

- Q-8. Has LG&E evaluated, either internally or through a consultant report, the anticipated impact of the new proposed rate design on investments by customers in distributed solar or other forms of distributed generation? Will the new proposed rate design create more or less incentive for such investments?
- A-8. The Company has not performed such an analysis. The Company is proposing basic service charges and volumetric rates consistent with its cost of service studies.

But the Company does not believe a study is required to understand the impact of its proposed rates on the incentive for customers to invest in distributed generation or energy efficiency. Stated simply, the clear impact of LG&E's proposed rates will be to maintain or increase the current incentive because the Company's proposed per-kWh energy charge is equal to or higher than the current energy charge for each rate class. For example, LG&E's current residential (Rate RS) per-kWh energy charge is \$0.09382; the proposed charge is higher: \$0.09420.

The same is true for residential gas customers. LG&E's current residential (Rate RGS) per-Ccf charge is \$0.77746; the proposed charge is higher: \$0.80522.

Therefore, it does not require a study or in-depth analysis to determine that LG&E's proposed rates, if approved, will provide an increased incentive for customers to invest in distributed generation or energy efficiency. In addition, for those who have already made such investments, the proposed rates will provide an increased return on investment relative to current rates.

Note also that LG&E's proposed rate designs for residential electric and gas service provide more accurate incentives for energy conservation by more closely aligning the per-unit energy charge with the actual cost to provide an incremental unit of energy. The proposed per-kWh and per-Ccf energy charges will still not completely accurately reflect incremental energy cost—there will still be a portion of customer-specific fixed costs and demand-related fixed costs embedded in both energy charges—but the proposed charges will nonetheless more accurately reflect underlying incremental energy costs than do the current energy charges. This has the advantage of giving customers more accurate pricing signals upon which to base

Response to Question No. 8
Page 2 of 2
Conroy

distributed-generation and energy-efficiency investments, and will have the advantage of reducing customers' bill volatility, an issue of particular importance during times of extreme weather, which have occurred recently in LG&E's service territory. This is particularly true regarding extremely cold weather, which tends to occur when solar generators produce little or no energy, often because the coldest temperatures occur at night.

Response to First Set of Data Requests of Metropolitan Housing Coalition Dated November 13, 2018

Case No. 2018-00295

Question No. 9

- Q-9. Has LG&E evaluated, either internally or through a consultant report, the anticipated impact of the new proposed rate design on investments by customers in energy efficiency measures such as insulation, heating and cooling systems, and major appliances? Will the new proposed rate design create more or less incentive for such investments.
- A-9. See the response to Question No. 8.

Response to First Set of Data Requests of Metropolitan Housing Coalition Dated November 13, 2018

Case No. 2018-00295

Question No. 10

- Q-10. Please identify any study or report justifying the proposed increase in service charge, and explain whether there are any costs formerly recovered as a component of the volumetric charges that have been shifted to the fixed service charge under the new tariffs?
- A-10. The proposed increase in the Basic Service Charge is supported by the cost of service studies filed by LG&E in this proceeding. The increases in the Basic Service Charges are discussed on pages 13-25 and pages 53-54 of Mr. Seelye's direct testimony. The electric cost of Service study is described on pages 70-89 of Mr. Seelye's direct testimony, and the gas cost of service study is described on pages 89-101 of Mr. Seelye's direct testimony. The costs recovered through the Basic Service Charges are fixed costs and should be recovered through a fixed charge despite formerly having been recovered through the energy charge.

Response to First Set of Data Requests of Metropolitan Housing Coalition Dated November 13, 2018

Case No. 2018-00295

Question No. 11

Responding Witness: Robert M. Conroy

Q-11. Please explain:

- a. Whether LG&E has evaluated or studied the impact of a shift of more fixed costs to the service charge on low-income and fixed-income gas and electric customers. If so, please provide that study or evaluation and the conclusions.
- b. Whether LG&E has evaluated or studied the impact of such a shift on new development of distributed renewable electricity. If so, please provide the study or evaluation and the conclusions reached.
- c. Whether LG&E has evaluated or studied the impact of such a shift on the ability of customers that have incorporated solar and other renewable distributed technology, to recover the costs associated with such investments. If so, please provide the study or evaluation and the conclusions reached.
- d. Please explain how the shift of additional revenue recovery to fixed from volumetric charges will impact new and current energy efficiency investments by low, average, and high residential electric and gas users.
- A-11. See the response to Question No. 8 with regard to all subparts.

Response to First Set of Data Requests of Metropolitan Housing Coalition Dated November 13, 2018

Case No. 2018-00295

Question No. 12

Responding Witness: Robert M. Conroy / David S. Sinclair

O-12.

- a. Please explain how the proposed rate structure satisfies the Commission's recommendation in Case No. 2014-00003 that LG&E" shall continue encouraging participation in programs to help low-income customers reduce energy consumption, thereby reducing monthly energy bills," when it appears that the monthly service charges will increase for electricity and gas, respectively, and the return on energy efficiency and energy conservation in lowering bills will correlatively decrease.
- b. Please explain whether the movement of fixed costs from volumetric rates to meter charges is likely to encourage or discourage ratepayer efforts at energy conservation and energy efficiency.
- c. Please provide a comparison of electricity demand projections from the last LG&E IRP proceeding, and compare projected with actual demand by customer class.
- d. Please explain whether and to what extent the change in rate structure between volumetric and fixed charges incentivizes more electricity consumption while disincentivizing energy efficiency.
- e. Please provide any analysis or study conducted on the public health and environmental impacts (including but not limited to impacts on GHG emissions) of the proposed change in rate structure and design.

A-12.

- a. LG&E disagrees with the premise of the question. As explained in response to Question No. 8, LG&E has proposed increased residential electric and gas volumetric charges, i.e., LG&E has proposed to increase, not decrease, residential per-kWh and per-Ccf charges for Rates RS and RGS, respectively. These proposed increases provide increased, not decreased, incentives and returns on energy efficiency and energy conservation.
- b. See the response to part a. above and the response to Question No. 8.

- c. The demand projections in Case No. 2018-00348 are for seasonal peaks only and therefore cannot be compared at a customer class level.
- d. See the response to part a. above and the response to Question No. 8.
- e. LG&E has not conducted a study or analysis of the type requested.

Response to First Set of Data Requests of Metropolitan Housing Coalition Dated November 13, 2018

Case No. 2018-00295

Question No. 13

- Q-13. Please provide any report, analysis, or other documentation on the anticipated effect of the proposed change in rates and fixed charges on low-income and fixed-income customers.
- A-13. See the response to Question No. 11 (a).

Response to First Set of Data Requests of Metropolitan Housing Coalition Dated November 13, 2018

Case No. 2018-00295

Question No. 14

Responding Witness: John K. Wolfe

- Q-14. Please provide the average cost for each foot of maintenance and repair for natural gas distribution lines, and for electric distribution lines.
- A-14. The Company does not have a business reason to maintain the requested information, and, therefore, cannot provide the requested response.

Response to First Set of Data Requests of Metropolitan Housing Coalition Dated November 13, 2018

Case No. 2018-00295

Question No. 15

Responding Witness: Elizabeth J. McFarland

- Q-15. Please provide the number of electric, and of gas, meters in each census tract in the LG&E service area.
- A-15. Federal census tract data is not used in utility operations.

Response to First Set of Data Requests of Metropolitan Housing Coalition Dated November 13, 2018

Case No. 2018-00295

Question No. 16

Responding Witness: Robert M. Conroy / William Steven Seelye

- Q-16. Please explain how the costs provided in response to Question 1-9 are allocated among the residential customer base, and explain whether LG&E agrees that those areas that are higher density and with higher percentage of minority customers are subsidizing the costs of repair and maintenance of gas and electric lines for areas of lower density.
- A-16. The reference to "Question 1-9" appears to be incorrect.

No. While LG&E has not performed a study to determine the relative costs for high-density areas versus low-density areas, the Company rejects any generalization that it is less costly to serve customers in areas with high population densities than in areas with low population densities. Any such comparison would have to take into consideration a prohibitive number of factors, including, but not limited to: the need to install costly underground network facilities, the terrain and geography of the service area, the age of the utility infrastructure, the type of utility infrastructure needed to serve an area, and cost factors related to public infrastructure, such street crossings, railroad crossings, highway crossings, interstate highway crossings, the location of commercial infrastructure, etc. Furthermore, implementing rate differentials based on geographic location would likely constitute undue discrimination for like and contemporaneous service.

Response to First Set of Data Requests of Metropolitan Housing Coalition Dated November 13, 2018

Case No. 2018-00295

Question No. 17

Responding Witness: Elizabeth J. McFarland

- Q-17. Please explain whether LG&E is contemplating a pre-paid meter program and provide any analysis or study that has been conducted on adoption of such a program.
- A-17. LG&E is considering a pre-paid meter program. However, no analysis or study has been recently conducted by the Companies on adoption of such a program.

Response to First Set of Data Requests of Metropolitan Housing Coalition Dated November 13, 2018

Case No. 2018-00295

Question No. 18

Responding Witness: Robert M. Conroy

- Q-18. Regarding an bill insert sent to LG&E customers regarding the proposed rate case:
 - a. Please provide a copy of the insert(s) and highlight the areas that explain the new per meter charge.
 - b. Please highlight the areas that explain how much more simple the two-part per KwH will be for the customer to understand.
 - c. Please explain who paid for the production (writing and copying) of this insert, and will the cost of this insert be paid for by ratepayers?

A-18.

- a. See Tab 6, Exhibit E, of the Filing Requirements for a copy of the customer bill insert. The customer bill insert was only one of the many ways in which the Company satisfied the notice requirements in compliance with 807 KAR 5:001, Section 17. The customer bill insert provided high level information related to the filing and provided detailed information on where to obtain the full information on the filing. Specific changes to the residential rate schedule, including the change from a monthly to a daily Basic Service Charge, were provided in newspaper notices (see Tab 6, Exhibit A of the Filing Requirements), in the detailed notices posted at Libraries (see Tab 6, Exhibit C, of the Filing Requirements) and posted on the LG&E and KU corporate website.
- b. The Company disagrees with the premise of the question. See the response to AG 1-162.
- c. Compliance with the notice requirements of 807 KAR 5:001, Section 17 are considered expenses associated with rate case filings and are included in the determination of revenue requirements.

Response to First Set of Data Requests of Metropolitan Housing Coalition Dated November 13, 2018

Case No. 2018-00295

Question No. 19

- Q-19. The Metropolitan Housing Coalition represents non-profit developers who wish to incorporate distributed solar power into developments. Does LG&E allow credits generated for net-metered electricity produced on one site to be credited towards bill payment of another site they own and operate?
- A-19. No. Kentucky law prohibits such transfers under KRS 278.466(5)(e): "Excess electricity credits are not transferable between customers or locations."

Response to First Set of Data Requests of Metropolitan Housing Coalition Dated November 13, 2018

Case No. 2018-00295

Question No. 20

Responding Witness: Robert M. Conroy / Elizabeth J. McFarland

- Q-20. Please compare the average monthly bill for the average WE CARE recipient during 2018, with what the bill would be for that average customer if the proposed rate structure is approved by the Commission.
- A-20. The average monthly bill for a WE CARE electric recipient during 2018 was \$113.86 and the average usage was 1,083 kWh per month. See Schedule N at Tab 67 of the filing requirements for the bill impact at various levels of consumption. The proposed rate structure will be beneficial to the average WE CARE recipient since the average consumption of 1,083 kWh per month is greater than the average of the residential class of 917 kWh per month.

Response to First Set of Data Requests of Metropolitan Housing Coalition Dated November 13, 2018

Case No. 2018-00295

Question No. 21

- Q-21. Please identify any amount for which LG&E is seeking cost recovery in this rate case for monies expended for lobbying or advertising activity associated with the effort to pass HB 227 (net metering bill) during the 2018 General Assembly Regular Session.
- A-21. See the response to AG 1-88. No costs associated with the referenced activities are included in the forecasted test period used in the proceeding.

Response to First Set of Data Requests of Metropolitan Housing Coalition Dated November 13, 2018

Case No. 2018-00295

Question No. 22

- Q-22. Please provide a detailed accounting of those amount expended identified in Question 1-21 and provide the recipients of those amounts.
- A-22. Not applicable. See the response to Question No. 21.