

LOUISVILLE GAS AND ELECTRIC COMPANY

**March 21, 2019 Supplemental Response to Commission Staff's
First Request for Information
Dated September 19, 2018**

Case No. 2018-00295

Question No. 46

Responding Witness: Christopher M. Garrett

Q-46. As the historical data becomes available, provide detailed monthly income statements for each forecasted month of the base period including the month in which the Commission hears this case.

A-46. **Original Response:**

See attached.

October 29, 2018 Supplemental Response:

See attached income statement for September 2018. Income statements for subsequent months will be provided as they become available.

November 26, 2018 Supplemental Response:

See attached income statement for October 2018. Income statements for subsequent months will be provided as they become available.

December 21, 2018 Supplemental Response:

See attached income statement for November 2018. Income statements for subsequent months will be provided as they become available.

January 25, 2019 Supplemental Response:

See attached income statement for December 2018. Income statements for subsequent months will be provided as they become available.

February 21, 2019 Supplemental Response:

See attached income statement for January 2019. Income statements for subsequent months will be provided as they become available.

March 21, 2019 Supplemental Response:

See attached income statement for February 2019. Income statements for subsequent months will be provided as they become available.

Louisville Gas and Electric Company
Comparative Statement of Income
February 28, 2019

	Current Month			
	This Year	Last Year	Increase or Decrease	
	Amount	Amount	Amount	%
Electric Operating Revenues.....	\$ 87,123,871.02	\$ 84,308,149.63	\$ 2,815,721.39	3.34
Gas Operating Revenues.....	42,403,572.51	38,802,630.17	3,600,942.34	9.28
Total Operating Revenues.....	129,527,443.53	123,110,779.80	6,416,663.73	5.21
Fuel for Electric Generation.....	24,813,482.22	23,091,032.50	1,722,449.72	7.46
Power Purchased.....	3,728,390.56	3,832,552.97	(104,162.41)	(2.72)
Gas Supply Expenses.....	19,351,392.31	16,357,619.05	2,993,773.26	18.30
Other Operation Expenses.....	21,660,812.59	19,770,007.24	1,890,805.35	9.56
Maintenance.....	7,780,041.87	7,095,565.50	684,476.37	9.65
Depreciation.....	15,225,044.56	14,630,413.93	594,630.63	4.06
Amortization Expense.....	1,578,483.90	1,518,852.35	59,631.55	3.93
Regulatory Debits.....	65,722.57	35,355.54	30,367.03	85.89
Taxes				
Federal Income.....	4,895,263.99	5,354,641.13	(459,377.14)	(8.58)
State Income.....	1,226,883.20	1,627,550.49	(400,667.29)	(24.62)
Deferred Federal Income - Net.....	-	-	-	-
Deferred State Income - Net.....	-	-	-	-
Property and Other.....	4,043,547.56	3,645,385.84	398,161.72	10.92
Investment Tax Credit.....	-	-	-	-
Amortization of Investment Tax Credit.....	(86,635.00)	(93,976.00)	7,341.00	(7.81)
Loss (Gain) from Disposition of Utility Plant.....	-	-	-	-
Loss (Gain) from Disposition of Allowances.....	-	(6,751.50)	-	-
Total Operating Expenses.....	104,282,430.33	96,858,249.04	7,424,181.29	7.67
Net Operating Income.....	25,245,013.20	26,252,530.76	(1,007,517.56)	(3.84)
Other Income Less Deductions.....	(35,073.36)	(363,615.73)	328,542.37	(90.35)
Income Before Interest Charges.....	25,209,939.84	25,888,915.03	(678,975.19)	(2.62)
Interest on Long-Term Debt.....	5,785,622.63	5,543,847.65	241,774.98	4.36
Amortization of Debt Expense - Net.....	255,053.61	235,841.19	19,212.42	8.15
Other Interest Expenses.....	701,475.98	234,569.94	466,906.04	199.05
Total Interest Charges.....	6,742,152.22	6,014,258.78	727,893.44	12.10
Net Income.....	\$ 18,467,787.62	\$ 19,874,656.25	\$ (1,406,868.63)	(7.08)

March 21, 2019

LOUISVILLE GAS AND ELECTRIC COMPANY

**March 21, 2019 Supplemental Response to Commission Staff's
First Request for Information
Dated September 19, 2018**

Case No. 2018-00295

Question No. 59

Responding Witness: Christopher M. Garrett

Q-59. Provide the following information concerning the costs for the preparation of this case:

a. A detailed schedule of expenses incurred to date for the following categories:

- (1) Accounting;
- (2) Engineering;
- (3) Legal;
- (4) Consultants; and
- (5) Other Expenses (Identify separately).

For each category, the schedule should include the date of each transaction, check number or other document reference, the vendor, the hours worked, the rates per hour, amount, a description of the services performed, and the account number in which the expenditure was recorded. Provide copies of contracts or other documentation that support charges incurred in the preparation of this case. Identify any costs incurred for this case that occurred during the base period.

- b. An itemized estimate of the total cost to be incurred for this case. Expenses should be broken down into the same categories as identified in (a) above, with an estimate of the hours to be worked and the rates per hour. Include a detailed explanation of how the estimate was determined, along with all supporting work papers and calculations.
- c. Provide monthly updates of the actual costs incurred in conjunction with this rate case, reported in the manner requested in (a) above. Updates will be due when the utility files its monthly financial statements with the Commission, through the month of the public hearing.

A-59. Original Response:

- a. See attached.
- b. See attached.
- c. The Company will provide monthly updates as requested.

October 29, 2018 Supplemental Response for Question No. 59(c):

Attached are the Schedule of Rate Case Expenses (Attachment 1) and the associated invoices (Attachment 2) recorded by Louisville Gas and Electric Company for September 2018.

November 26, 2018 Supplemental Response for Question No. 59(c):

Attached are the Schedule of Rate Case Expenses (Attachment 1) and the associated invoices (Attachment 2) recorded by Louisville Gas and Electric Company for October 2018.

December 21, 2018 Supplemental Response for Question No. 59(c):

Attached are the Schedule of Rate Case Expenses (Attachment 1) and the associated invoices (Attachment 2) recorded by Louisville Gas and Electric Company for November 2018.

January 25, 2019 Supplemental Response for Question No. 59(c):

Attached are the Schedule of Rate Case Expenses (Attachment 1) and the associated invoices (Attachment 2) recorded by Louisville Gas and Electric Company for December 2018.

February 21, 2019 Supplemental Response for Question No. 59(c):

Attached are the Schedule of Rate Case Expenses (Attachment 1) and the associated invoices (Attachment 2) recorded by Louisville Gas and Electric Company for January 2019.

March 21, 2019 Supplemental Response for Question No. 59(c):

Attached are the Schedule of Rate Case Expenses (Attachment 1) and the associated invoices (Attachment 2) recorded by Louisville Gas and Electric Company for February 2019.

LOUISVILLE GAS AND ELECTRIC COMPANY

CASE NO. 2018-00295

Schedule of Rate Case Preparation Costs

Response to Commission's Order

Dated September 19, 2018

Question No. 59 (c)

Responding Witness: Christopher M. Garrett

Date	Invoice #	Vendor Name	Hours (1)	Rate/Hr	Amount	Description	Account
TOTAL LEGAL OUTSIDE COUNSEL LG&E ELECTRIC					-		
1-Feb-19	THEPRI020119A	THE PRIME GROUP LLC	22.23	224.37	4,987.68	Consulting work related to the rate case	182335
31-Jan-19	FINANC013119	FINANCIAL CONCEPTS & APPLICATIONS INC	16.28	313.88	5,110.00	Consulting work related to the rate case	182335
SUBTOTAL CONSULTANTS LG&E ELECTRIC					10,097.68		
TOTAL CONSULTANTS LG&E ELECTRIC					10,097.68		
TOTAL SUPPLIES/SERVICES - OTHER LG&E ELECTRIC					-		
TOTAL LG&E ELECTRIC					10,097.68		
TOTAL LEGAL OUTSIDE COUNSEL LG&E GAS					-		
1-Feb-19	THEPRI020119A	THE PRIME GROUP LLC	6.35	224.42	1,425.05	Consulting work related to the rate case	182336
31-Jan-19	FINANC013119	FINANCIAL CONCEPTS & APPLICATIONS INC	4.65	313.98	1,460.00	Consulting work related to the rate case	182336
SUBTOTAL CONSULTANTS LG&E GAS					2,885.05		
TOTAL CONSULTANTS LG&E GAS					2,885.05		
TOTAL SUPPLIES/SERVICES - OTHER LG&E GAS					-		
TOTAL LG&E GAS					2,885.05		
TOTAL RATE CASE EXPENSE FOR THE MONTH OF FEBRUARY 2019					12,982.73		

Note (1) - Hours are calculated based on information provided on the billing statement.

FINANCIAL CONCEPTS AND APPLICATIONS, INC.
 3907 RED RIVER
 AUSTIN, TEXAS 78751

Reg. 153110
P.O. 145317
Jehodev 2/27/19

fincap2@texas.net
 Fax [REDACTED]

January 31, 2019

Mr. Rick Lovekamp
 Manager – Regulatory Strategy/Policy
 LG&E and KU Service Company
 Post Office Box 32010
 Louisville, Kentucky 40232

DUE ON RECEIPT

Reference No.: 01856
 Taxpayer ID No.: [REDACTED]

Consulting Services:

Research, Analysis, and Testimony Preparation
 of Testimony Re: Fair Rate of Return on Equity
 for Louisville Gas & Electric and Kentucky
 Utilities. **Contract No. 62685**

For the Period:
 January 1 through January 31, 2019

Professional Time:

Adrien M. McKenzie
 A 14.5 hours @ \$ 400 \$ 5,800
 Brent L. Heidebrecht
 A 32 hours @ \$ 275 8,800

Total **Sum of A = 46.5 hours** **\$ 14,600**

Bruce H. Fairchild

Bruce H. Fairchild

	Total	Total
	<u>\$14,600</u>	<u>46.5 Hours</u>
LGE Electric	\$5,110	16.28 hours
LGE Gas	\$1,460	4.65 hours
KU	\$8,030	25.57 hours

Rick Lovekamp 2/19/19