

**COMMONWEALTH OF KENTUCKY**  
**BEFORE THE PUBLIC SERVICE COMMISSION**

**In the Matter of:**

<b>ELECTRONIC APPLICATION OF</b>	)	
<b>KENTUCKY UTILITIES COMPANY FOR AN</b>	)	
<b>ADJUSTMENT OF ITS ELECTRIC RATES, A</b>	)	
<b>CERTIFICATE OF PUBLIC CONVENIENCE</b>	)	
<b>AND NECESSITY TO DEPLOY ADVANCED</b>	)	
<b>METERING INFRASTRUCTURE, APPROVAL</b>	)	<b>CASE NO. 2020-00349</b>
<b>OF CERTAIN REGULATORY AND</b>	)	
<b>ACCOUNTING TREATMENTS, AND</b>	)	
<b>ESTABLISHMENT OF A ONE-YEAR</b>	)	
<b>SURCREDIT</b>	)	

**RESPONSE OF**  
**KENTUCKY UTILITIES COMPANY**  
**TO**  
**SIERRA CLUB'S SUPPLEMENTAL DATA REQUESTS**  
**DATED FEBRUARY 5, 2021**

**FILED: FEBRUARY 19, 2021**







**KENTUCKY UTILITIES COMPANY**

**Response to Sierra Club's Supplemental Data Requests**  
**Dated February 5, 2021**

**Case No. 2020-00349**

**Question No. 1**

**Responding Witness: Daniel K. Arbough**

- Q-1. Refer to the Company's response (Jan. 8, 2021) to Sierra Club's Initial Data Request #3.
- a. Please identify when and in what type of proceeding the Company intends to present and defend the prudence, to the Kentucky Public Service Commission, of the referenced plans by OVEC to comply with the CCR and ELG rules, including costs associated with those plans and their impacts on the Company's ratepayers.
    - i. If the Company has no such intent, please confirm when and in what type of proceeding the Company believes that the Commission otherwise will have the opportunity to review the prudence of such plans and costs—whether focused on those issues, or in the context of reviewing the prudence of the ICPA or the Company's OVEC costs more generally.
    - ii. If the Company does not believe there will be such an opportunity for the Commission to review the prudence of these plans and costs, please state so.
  - b. Please confirm that the Company does not possess, or have access to, any other documents concerning the referenced compliance plans and their costs, besides what the Company attached in response to Sierra Club's Initial Data Request 3-a-i-1. If not confirmed, please explain and produce all such documents.
  - c. Please explain whether the Company (whether through its representatives on the OVEC Board or otherwise) has discussed with the other OVEC member utilities (including their representatives on the OVEC Board, or otherwise) the question of whether to retire any of the OVEC units and/or to terminate the Inter-Company Power Agreement ("ICPA"). If so, please describe those discussions and provide any documentation that may exist of such discussions (correspondence, board minutes, etc.). If not, explain why not. [Note: This question is not limited to whether the aforementioned discussions have

occurred in the context of discussing compliance with the CCR and ELG rules; rather, Sierra Club is asking whether such discussions have occurred in any context. It is thus not apparent that the Company's response to Sierra Club's Initial Data Request 3-a-i-2 was fully responsive.]

A-1.

- a. OVEC is not a utility subject to the jurisdiction of the Kentucky Public Service Commission. The Commission does not have jurisdiction to review OVEC's decisions to comply with the CCR and ELG rules, including costs associated with those plans, and the Company does not have an obligation to present OVEC's environmental compliance plans to this Commission for review and approval.
  - i. The Commission authorized KU and LG&E to enter into the Inter-Company Power Agreement and its amendments among OVEC and its owners in several orders over the years, the most recent of which were in Case Nos. 2011-00099 and 2011-00100. In doing so, the Commission noted, "KU and LG&E would be obligated to pay the monthly minimum demand charges over the life of the amended contract."<sup>1</sup> These regulatory approvals authorize KU and LG&E to seek recovery of the demand charges in rate cases. The Commission consistently has approved the recovery of the demand charges in KU's and LG&E's rate cases for decades. The Commission has the opportunity to review the reasonableness of the Company's energy purchase in the course of the six-month and two-year fuel adjustment reviews and the Companies' evaluation of the OVEC power as part of the Companies' integrated resource plans.
  - ii. See the response to (a) and (a)(i) above.
- b. Confirmed.
- c. As is standard in corporate governance practice, OVEC management develops and proposes the short-, medium- and long-term strategies of the entity with review and oversight from the OVEC board. In recent years, in situations involving downgrades of OVEC's credit rating and possible remedial actions, periodic loan refinancings and the potential CCR or ELG compliance projects, OVEC's management has been able to present options and analysis that indicate the economic and contractual reasonableness and suitability of continuing OVEC's operational and commercial activities, when compared to the estimated effects arising upon unit shut-down or

---

<sup>1</sup> *Verified Application of Louisville Gas and Electric Company for an Order pursuant to KRS 278.300 and for Approval of Long-Term Purchase Contract and Verified Application of Kentucky Utilities Company for an Order pursuant to KRS 278.300 and for Approval of Long-Term Purchase Contract*, Case Nos. 2011-00099 and 2011-00100, Order at 3 (Ky. PSC Aug. 11, 2011).

contract termination scenarios (such as accelerated debt principal or make-whole payments, accelerated demolition and decommissioning costs, and potential other contractual requirements or risks.)

In light of the suitability of these OVEC management proposals to date, as reviewed and analyzed through the participation in the OVEC board process or internally, LG&E/KU has not had occasion or need to discuss unit retirement or ICPA termination with other OVEC sponsors.

**KENTUCKY UTILITIES COMPANY**

**Response to Sierra Club's Supplemental Data Requests  
Dated February 5, 2021**

**Case No. 2020-00349**

**Question No. 2**

**Responding Witness: Eileen L. Saunders**

- Q-2. Please list each and every payment assistance, energy affordability, arrearage management and/or deferred payment program offered by the Company to residential customers, and please include eligibility requirements, the number of customers enrolled or receiving benefits from each program for each of the last twelve months, and the total amount of benefits awarded, for each of last 24 months for which data is available.
- A-2. The Company provides payment assistance by accepting funds from various assistance agencies across the territory. Those agencies determine the criteria and eligibility for all customers receiving such assistance.

WeCare (Weatherization, Conservation Advice and Recycling Energy) is a voluntary program designed to create savings through weatherization and energy education to help income-eligible customers in need. See pages 28-32 of 182 in Exhibit GSL-1 in Case No.2017-00441 for more information on WeCare, customers, and benefits.

The Company offers payment plans to customers in order to spread out their initial deposit or to those who meet the criteria for disconnection of service due to non-payment of bills. A variety of plans are available and customers have the option to select a plan that best meets their needs, these include time extensions and monthly plans.

See attached for data on pledges and payment plans.



Kentucky Utilities  
Pledges Paid and Payment Plan Statistics

<u>Number of Pledges Paid</u>													
<u>Year</u>	<u>Annual</u>	<u>Jan</u>	<u>Feb</u>	<u>Mar</u>	<u>Apr</u>	<u>May</u>	<u>Jun</u>	<u>Jul</u>	<u>Aug</u>	<u>Sep</u>	<u>Oct</u>	<u>Nov</u>	<u>Dec</u>
2020	90,861	10,463	7,804	8,325	2,515	7,537	5,490	9,985	8,240	7,793	5,304	8,314	9,091
<u>Dollar Amount of Pledges Paid</u>													
<u>Year</u>	<u>Annual</u>	<u>Jan</u>	<u>Feb</u>	<u>Mar</u>	<u>Apr</u>	<u>May</u>	<u>Jun</u>	<u>Jul</u>	<u>Aug</u>	<u>Sep</u>	<u>Oct</u>	<u>Nov</u>	<u>Dec</u>
2019	\$8,170,809	\$1,679,254	\$1,333,597	\$1,285,902	\$636,863	\$131,287	\$89,001	\$345,560	\$384,557	\$370,776	\$191,781	\$897,931	\$824,301
2020	\$17,286,135	\$1,869,904	\$1,329,138	\$1,179,171	\$454,381	\$1,219,540	\$868,056	\$2,022,577	\$1,732,238	\$1,708,294	\$1,532,376	\$1,380,912	\$1,989,548
<u>Number of Deposit Payment Plans</u>													
<u>Year</u>	<u>Annual</u>	<u>Jan</u>	<u>Feb</u>	<u>Mar</u>	<u>Apr</u>	<u>May</u>	<u>Jun</u>	<u>Jul</u>	<u>Aug</u>	<u>Sep</u>	<u>Oct</u>	<u>Nov</u>	<u>Dec</u>
2019	43,632	3,434	3,673	4,090	3,894	3,770	3,250	3,675	3,764	3,464	4,013	3,196	3,409
2020	39,188	4,027	4,083	3,943	2,994	3,007	3,139	3,679	3,533	2,843	2,827	2,613	2,500
<u>Number of Arrearage Payment Plans</u>													
<u>Year</u>	<u>Annual</u>	<u>Jan</u>	<u>Feb</u>	<u>Mar</u>	<u>Apr</u>	<u>May</u>	<u>Jun</u>	<u>Jul</u>	<u>Aug</u>	<u>Sep</u>	<u>Oct</u>	<u>Nov</u>	<u>Dec</u>
2019	213,400	19,690	17,282	17,557	17,437	16,639	14,735	19,117	19,944	19,516	18,690	16,656	16,137
2020	168,688	22,077	19,365	18,553	10,668	8,477	9,041	8,713	9,023	8,427	9,760	25,037	19,547

**KENTUCKY UTILITIES COMPANY**

**Response to Sierra Club's Supplemental Data Requests**  
**Dated February 5, 2021**

**Case No. 2020-00349**

**Question No. 3**

**Responding Witness: Eileen L. Saunders**

- Q-3. Please identify (in native format with formulae intact, if possible and applicable), for each of last 24 months for which data is available, the information identified below. If the Company does not maintain and cannot discern such data, please so state. If the data is available only in units of time other than monthly, please promptly contact Sierra Club to discuss how best the Company may be able present the information.
- a. The average total bill for residential electricity accounts
  - b. The average arrears of residential electricity accounts in arrears
  - c. The average bill for current service of residential electricity accounts in arrears
  - d. The total dollars of residential electricity account arrears
  - e. The percentage of total residential electricity billed dollars constituting arrears
  - f. The percentage of billed residential electricity accounts having arrears
  - g. The average amount of time, or number of billing cycles, that residential electricity accounts in arrearage have been in arrearage
  - h. The average arrears of all residential electricity accounts disconnected for nonpayment in that month
  - i. The number of final notices of disconnection for nonpayment (disaggregating by and explaining if different "final" notices are provided) for residential electricity customers
  - j. The number of residential electricity disconnections for nonpayment
  - k. The average arrears of residential electricity accounts receiving a final notice of disconnection for nonpayment

- l. The average arrears of residential electricity accounts disconnected for nonpayment
- m. The number of residential electricity reconnections subsequent to a disconnection for nonpayment
- n. The average time between residential electricity disconnection and reconnection
- o. The average payment made to achieve a residential electricity reconnection
- p. The average arrears remaining at the time of residential electricity reconnection
- q. The number of residential accounts with a \$0 balance at the time of electricity reconnection
- r. The number of residential electricity customers charged a late fee
- s. The dollar value of late fees collected for residential electricity accounts

A-3. The Company does not maintain records in the manner requested, the following response represents the Company's best effort to respond to the request.

- a. – f. KU information is provided in the attached Excel files.

The total monthly amount billed for a customer was used to calculate the averages.

Residential customers are identified by those taking service on the following tariff sheets:

- Electric Tariff Sheet No. 5 Residential Service
- Electric Tariff Sheet No. 6 Residential Time-of-Day Energy Service,
- Electric Tariff Sheet No. 7 Residential Time-of-Day Demand Service

If a residential customer's account includes a GS service for a detached garage and/or an outdoor light, the charges for the GS service and/or outdoor light will be included in the total amount billed.

The total amount billed is either the budget amount, if the customer participates in the Company's budget payment plan, or the sum of many items including current charges, arrearages, overpayments, late payment charges (LPC), and installment plan agreement. Emergency installment plans mandated by the Commission impacted total amount bill in November and December 2020.

The current monthly amount billed averages for electric only customers include all charges for customers on:

- Electric Tariff Sheet No. 5 Residential Service
  - Electric Tariff Sheet No. 6 Residential Time-of-Day Energy Service,
  - Electric Tariff Sheet No. 7 Residential Time-of-Day Demand Service
- g. Dataset included all residential customers: electric only, electric/gas and gas only. See attachment being provided in Excel format.
- h. See attachment being provided in Excel format.
- i. See attachment being provided in Excel format.
- j. See attachment being provided in Excel format.
- k. See attachment being provided in Excel format.
- l. See the response to part h. above.
- m. See attachment being provided in Excel format.
- n. The report displays the average time between disconnection and reconnection without consideration for the time at which the customer made payment in order to be reconnected. See attachment being provided in Excel format.
- o. Customers are required to pay past due balances to be reconnected. They are not required to pay current month charges not yet delinquent. At the time of reconnection, the average arrearage is \$0 and the current balance is one month's usage. The Company systems do not track payment amounts for reconnections separately from other payment types.
- p. See the response to part o. above.
- q. See the response to part o. above.
- r. See attachment being provided in Excel format.
- s. Late payment charges assessed prior to the moratorium were included in past due balances that were paid or collected when customers made payments during the moratorium. See attachment being provided in Excel format.

The attachments are  
being provided in  
separate files in Excel  
format.

**KENTUCKY UTILITIES COMPANY**

**Response to Sierra Club's Supplemental Data Requests**  
**Dated February 5, 2021**

**Case No. 2020-00349**

**Question No. 4**

**Responding Witness: Eileen L. Saunders**

- Q-4. Please identify and provide all reports, evaluations, memos, analyses or other documents, prepared since 2016, containing any Company's methodology, procedure, or process designed to systematically review, study or assess the Company residential billing and/or payment records in an effort to:
- a. Characterize patterns of nonpayment
  - b. Identify the characteristics of nonpayers
  - c. Identify predictors of nonpayment
  - d. Identify strategies to reduce nonpayment
  - e. Identify early indicators of nonpayment.

For each subpart, if no such reports, etc., exist, please so state.

- A-4. Longstanding reports used to monitor payment trends are provided since 2016. A series of new reports, generated to monitor the unique situations created by the pandemic, are provided for 2020. Some but not all reports are not specific to residential customers.
- a. See attached year-end reports showing information on equivalent number of days revenue outstanding (ENDRO), 60+ day arrearages, and bad debt from 2016 through 2020. Also find attached new reports for year-end 2020 focused on accounts receivable and dunning statistics.
  - b. Certain accounts receivable charts, as submitted in subpart (a) above, are reported by customer class. No other characteristics of nonpayers are tracked or identified.
  - c. Historical results of bad debt are used to predict nonpayment in aggregate.

- d. The Company is committed to supporting customers in need. Eligible customers may enroll in a budget payment plan which establishes more predictable monthly bill amounts regardless of weather and other factors contributing to intermonth usage fluctuations, see attached Budget Payment Plan Customers reports. Customers requesting more time to pay their bill can establish a payment arrangement; due to COVID-related customer arrearages, multi-month payment plans are currently a standard offering, see attached Kentucky Payment Arrangements report. Customers on a fixed income can register for the FLEX program which adjusts the due date to more closely correspond to receipt of government and pension checks. WeCare (Weatherization, Conservation Advice and Recycling Energy), is a voluntary program designed to create savings through weatherization and energy education to help income-eligible customers in need. See attached WeCare Audits report. The Company also administers the Home Utility Gift (HUG) certificate program where credits can be applied to a customer's account and donations to our winter programs are accepted year-round to help others in need. Information on assistance programs administered outside the Company is provided on the Company websites and through other awareness campaigns in effort to connect customers with assistance programs, see attached website examples regarding assistance programs (<https://lge-ku.com/assistance-programs>) and COVID-specific assistance (<https://lge-ku.com/covid-19>).
  
- e. Accounts receivable charts, as submitted in subpart (a) above, provide an indicator of growing arrearages from nonpayment.

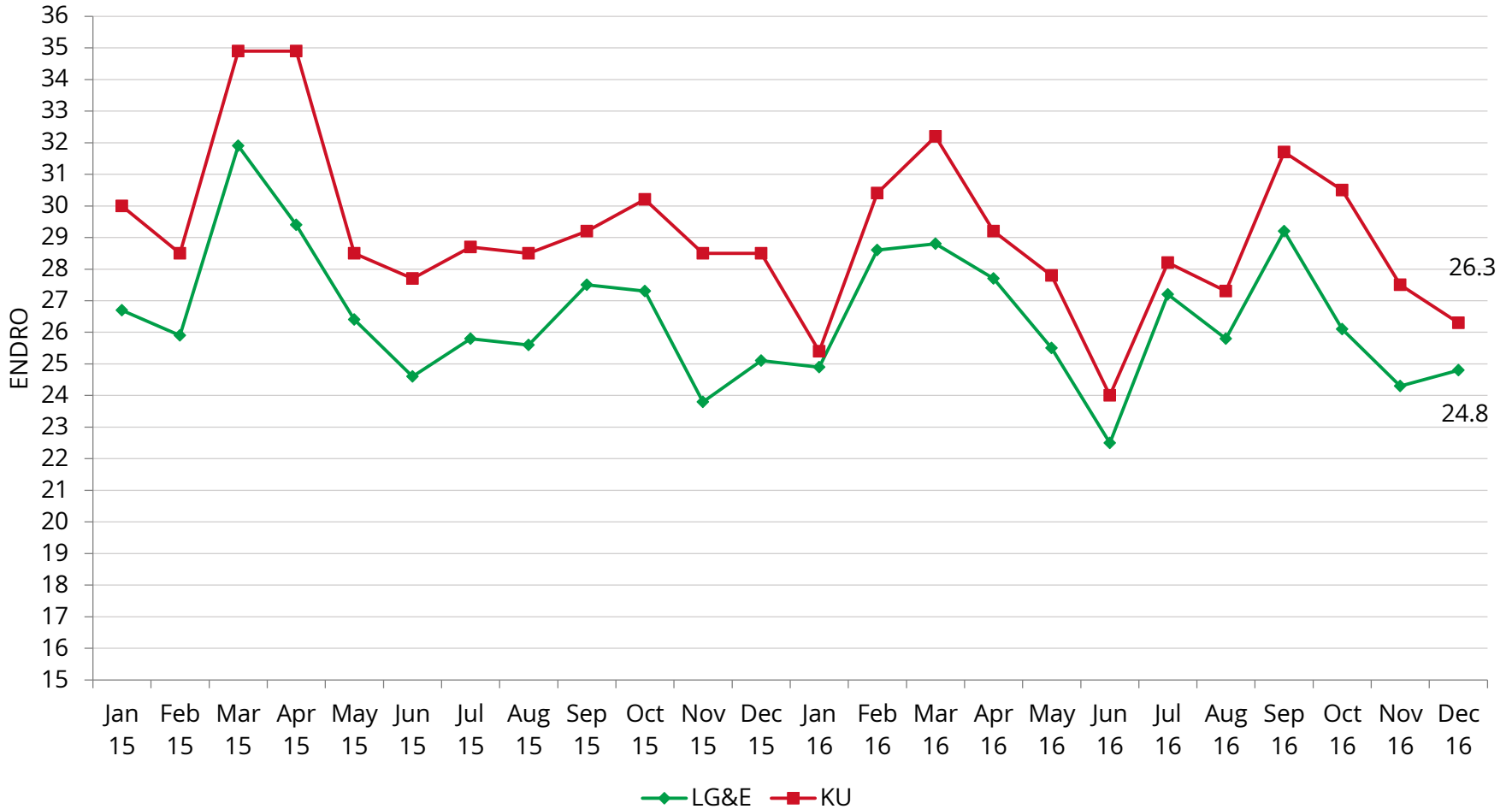
# Monthly Equivalent Number Days Revenue Outstanding (ENDRO) 2016-2020





# 2016 Monthly Equivalent Number Days Revenue Outstanding

(ENDRO)

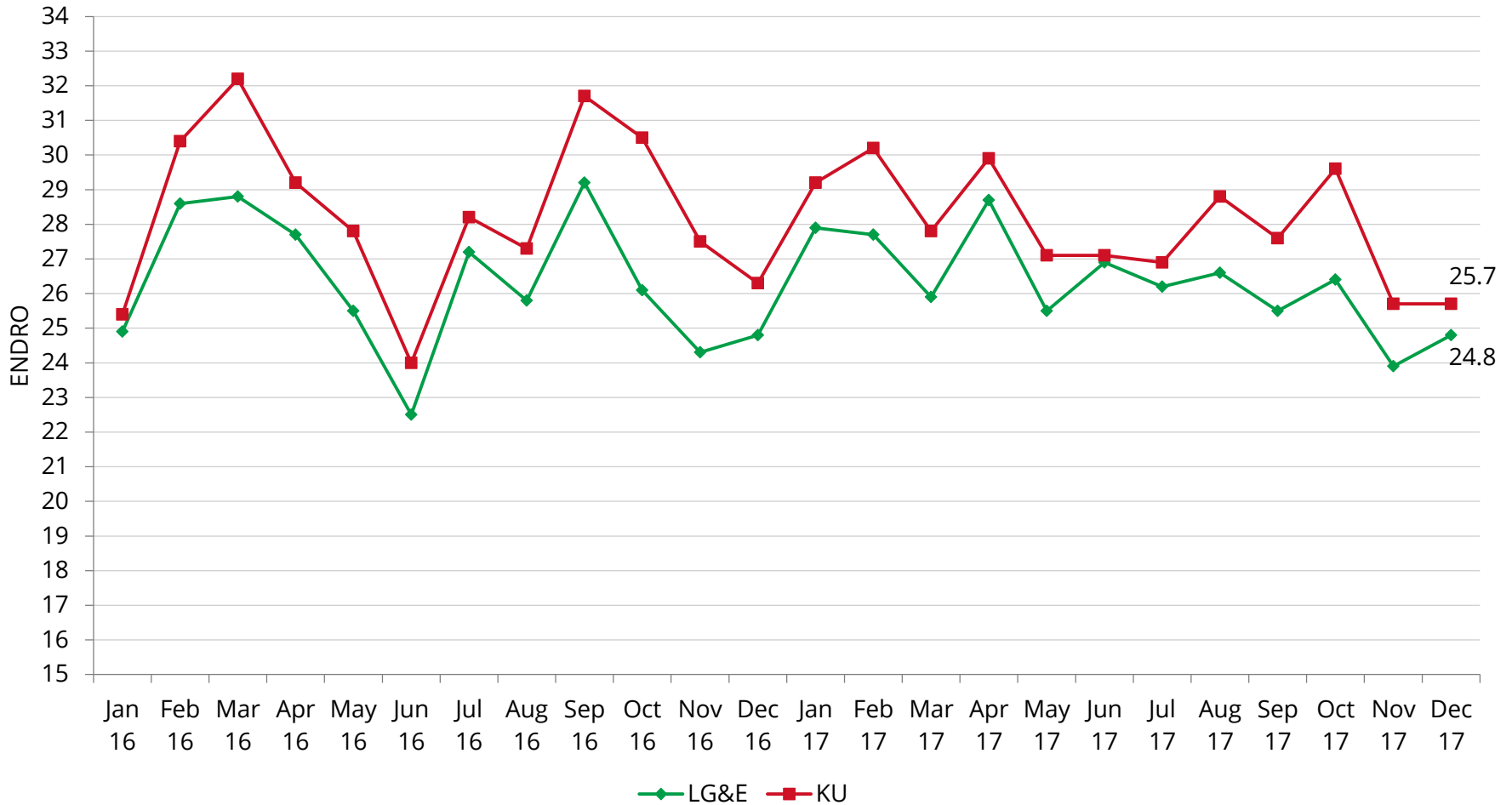


Case No. 2020-00349

Attachment 1 to Response to SC-2 Question No. 4(a)

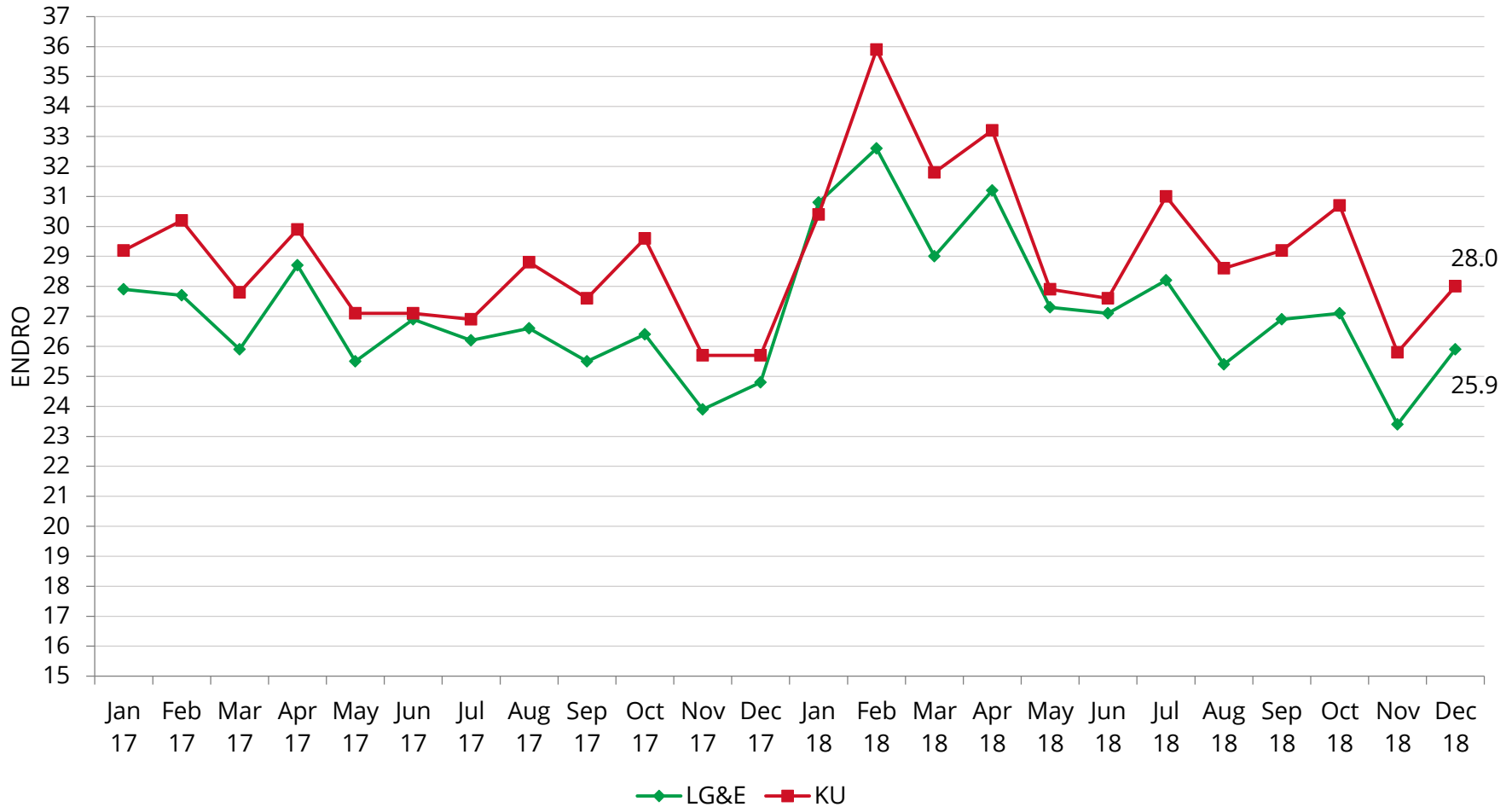
# 2017 Monthly Equivalent Number Days Revenue Outstanding

(ENDRO)



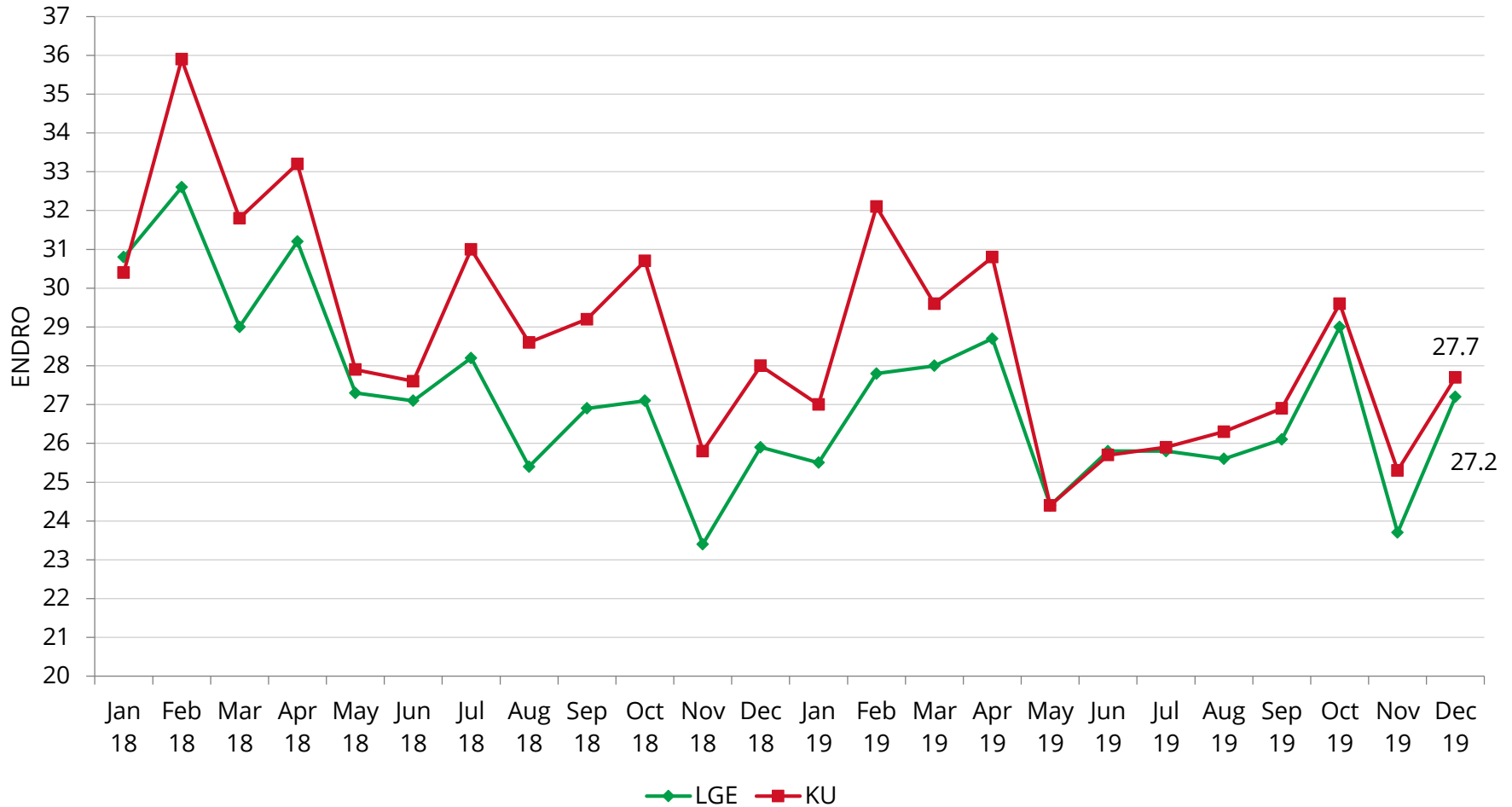
# 2018 Monthly Equivalent Number Days Revenue Outstanding

(ENDRO)



# 2019 Monthly Equivalent Number Days Revenue Outstanding

(ENDRO)

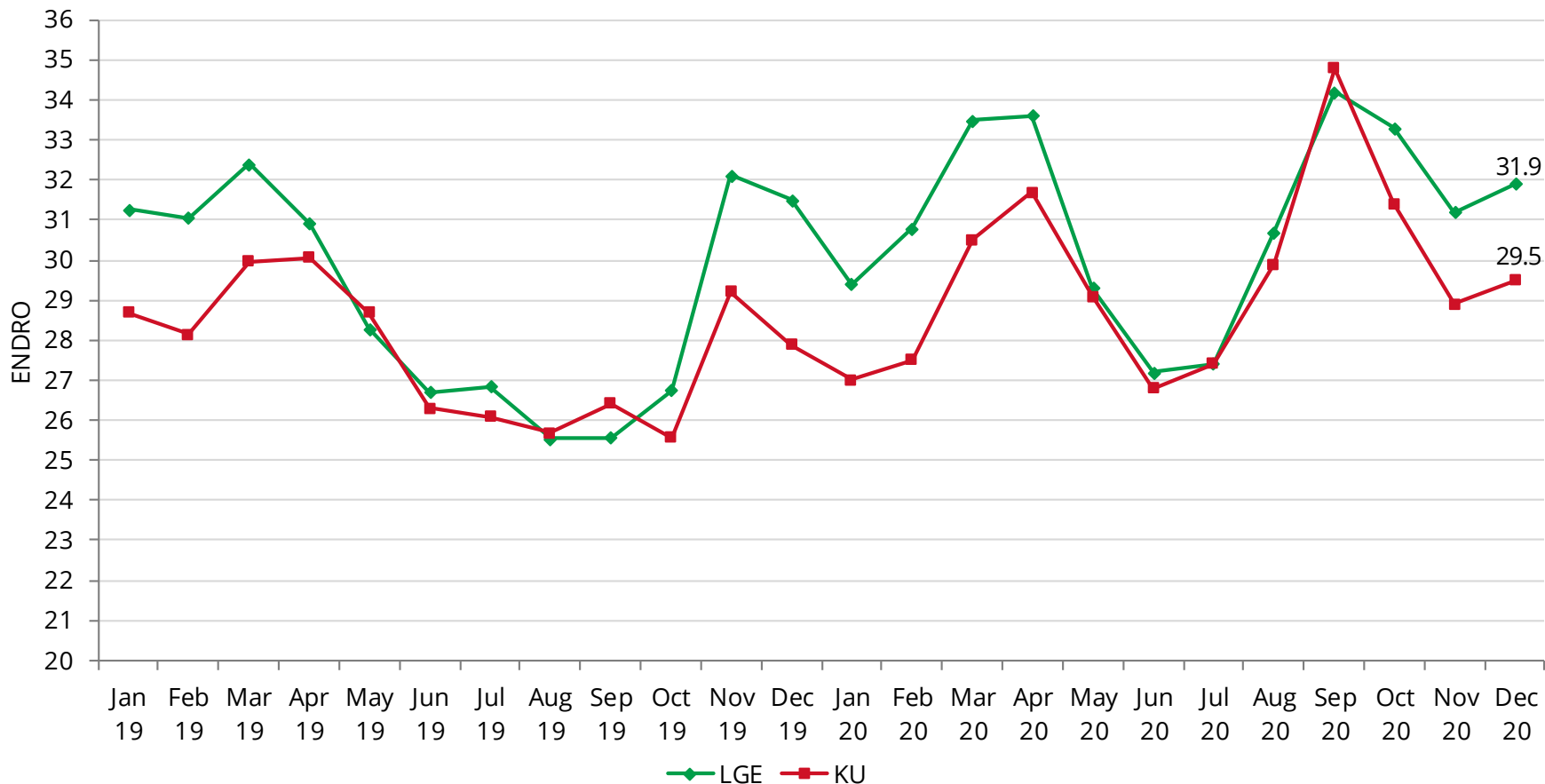


Case No. 2020-00349

Attachment 1 to Response to SC-2 Question No. 4(a)

# 2020 Monthly Equivalent Number Days Revenue Outstanding

(ENDRO)



**Note:** KU 2020 target 29.5 days; LG&E 2020 target 30.5 days. Targets based on analysis of historical averages and trends in comparison to actual due date.

**Note:** In January 2020, metric calculation modified from using Operating Revenue to Billed Revenue. Historical data has been updated to reflect this change.

**Case No. 2020-00349**

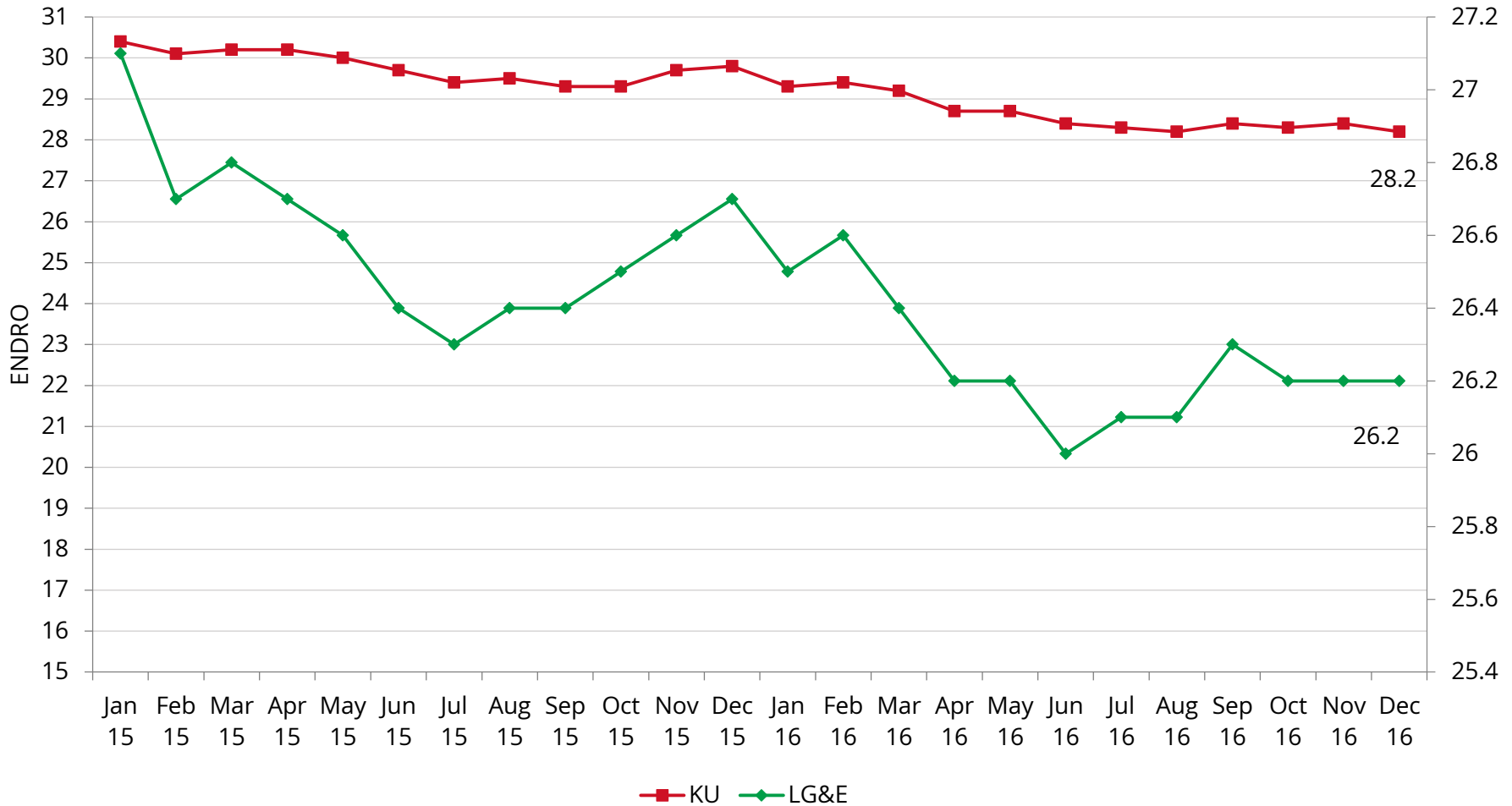
**Attachment 1 to Response to SC-2 Question No. 4(a)**

**Note:** Beginning March 2020, ENDRO impacted by the COVID-19 pandemic, including the curtailment of disconnections for non-payment and declines in economic factors.

# Trailing 12 Month Equivalent Number Days Revenue Outstanding (ENDRO) 2016-2020



# 2016 Trailing 12 Month Equivalent Number Days Revenue Outstanding (ENDRO)



Case No. 2020-00349

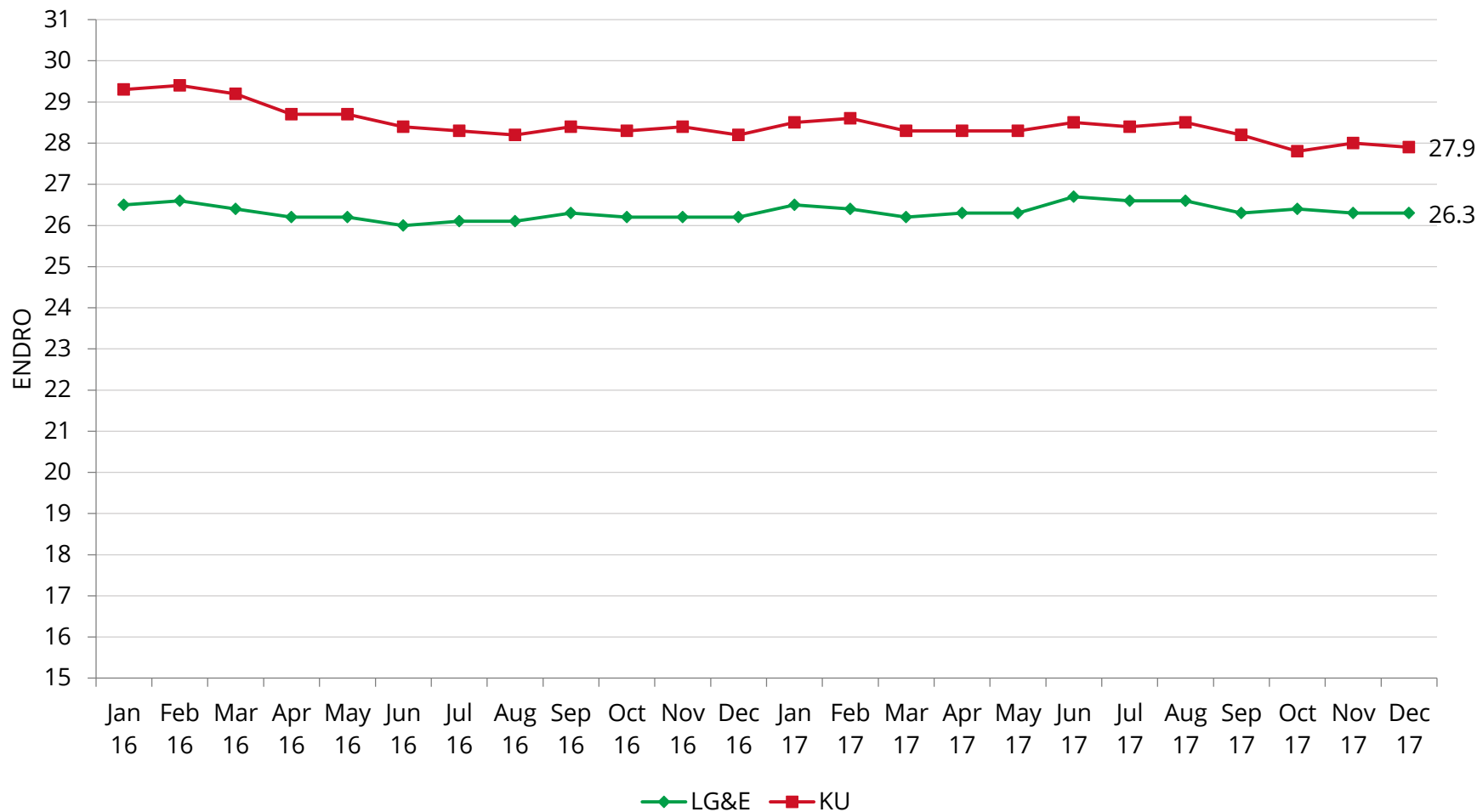
Attachment 1 to Response to SC-2 Question No. 4(a)

Note: KU 2016 target 30.5 days; LG&E 2016 target 27.4 days. Targets based on analysis of company historical averages and trends in comparison to actual due date.

Page 8 of 39

Saunders

# 2017 Trailing 12 Month Equivalent Number Days Revenue Outstanding (ENDRO)

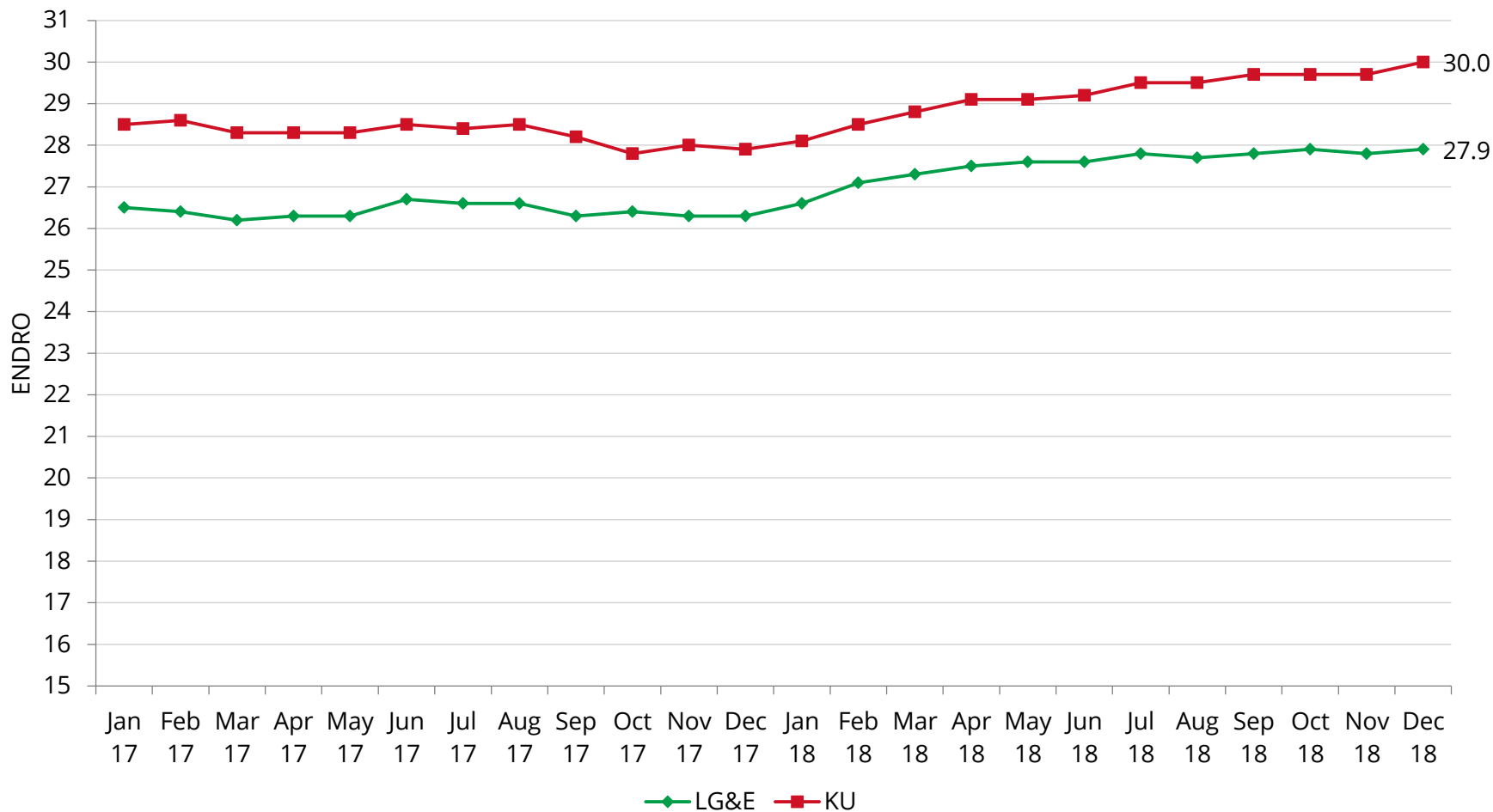


Case No. 2020-00349

Attachment 1 to Response to SC-2 Question No. 4(a)



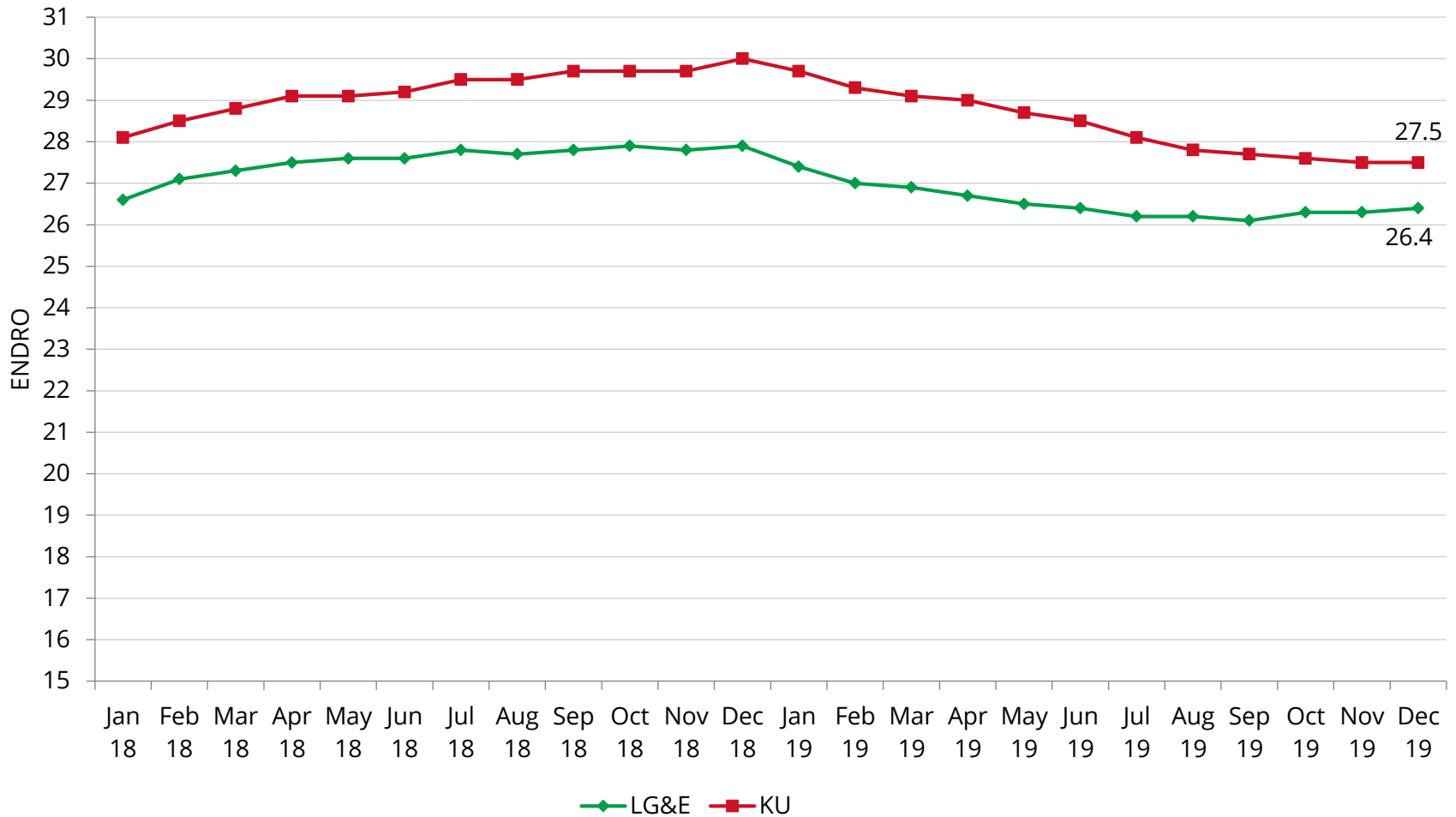
# 2018 Trailing 12 Month Equivalent Number Days Revenue Outstanding (ENDRO)



Case No. 2020-00349

Attachment 1 to Response to SC-2 Question No. 4(a)

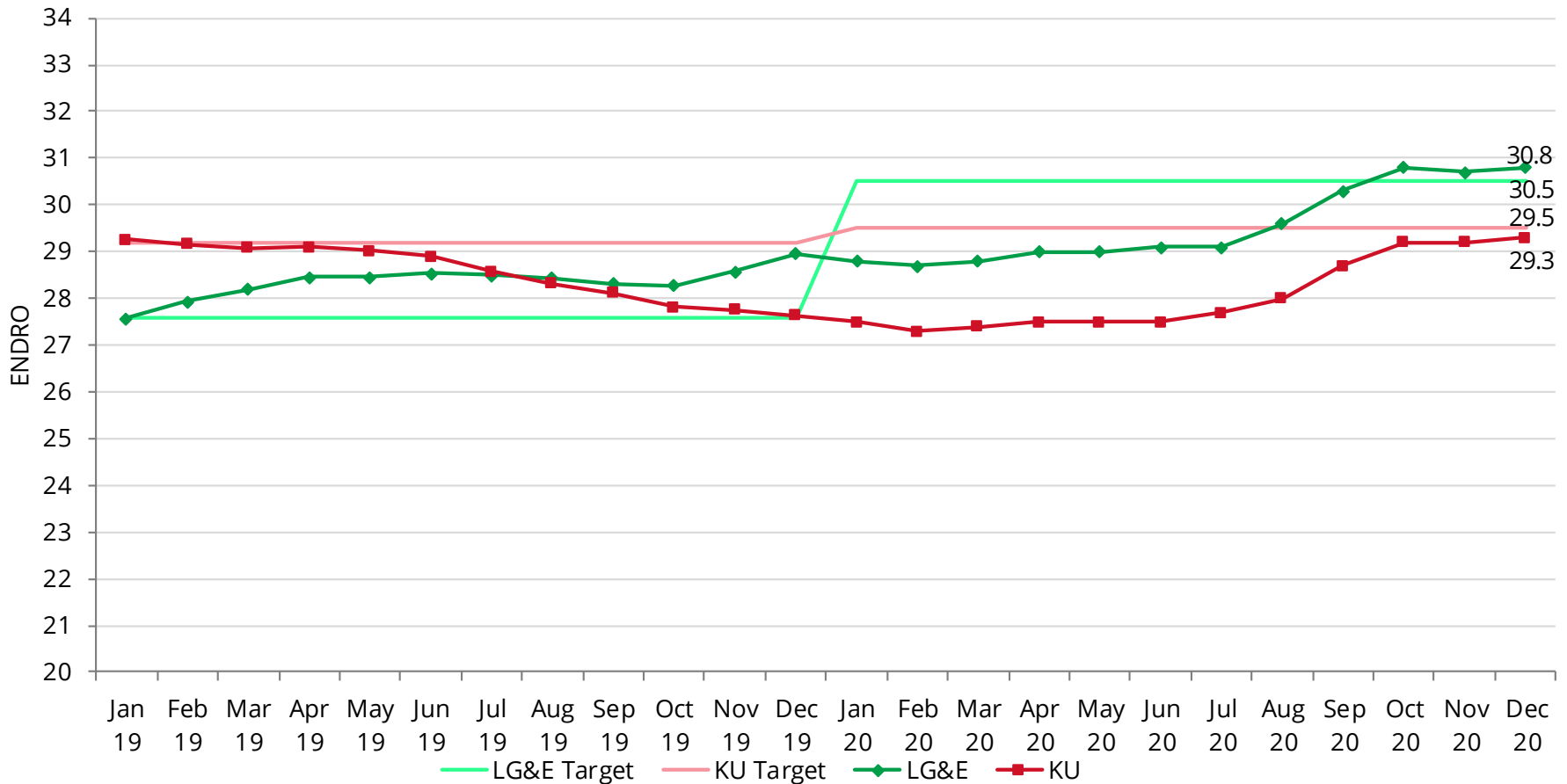
# 2019 Trailing 12 Month Equivalent Number Days Revenue Outstanding (ENDRO)



Case No. 2020-00349

Attachment 1 to Response to SC-2 Question No. 4(a)

# 2020 Trailing 12 Month Equivalent Number Days Revenue Outstanding (ENDRO)



**Note:** Targets based on analysis of company historical averages and trends in comparison to actual due date.

**Note:** In January 2020, metric calculation modified from using Operating Revenue to Billed Revenue. Historical data has been updated to reflect this change.

Case No. 2020-00349

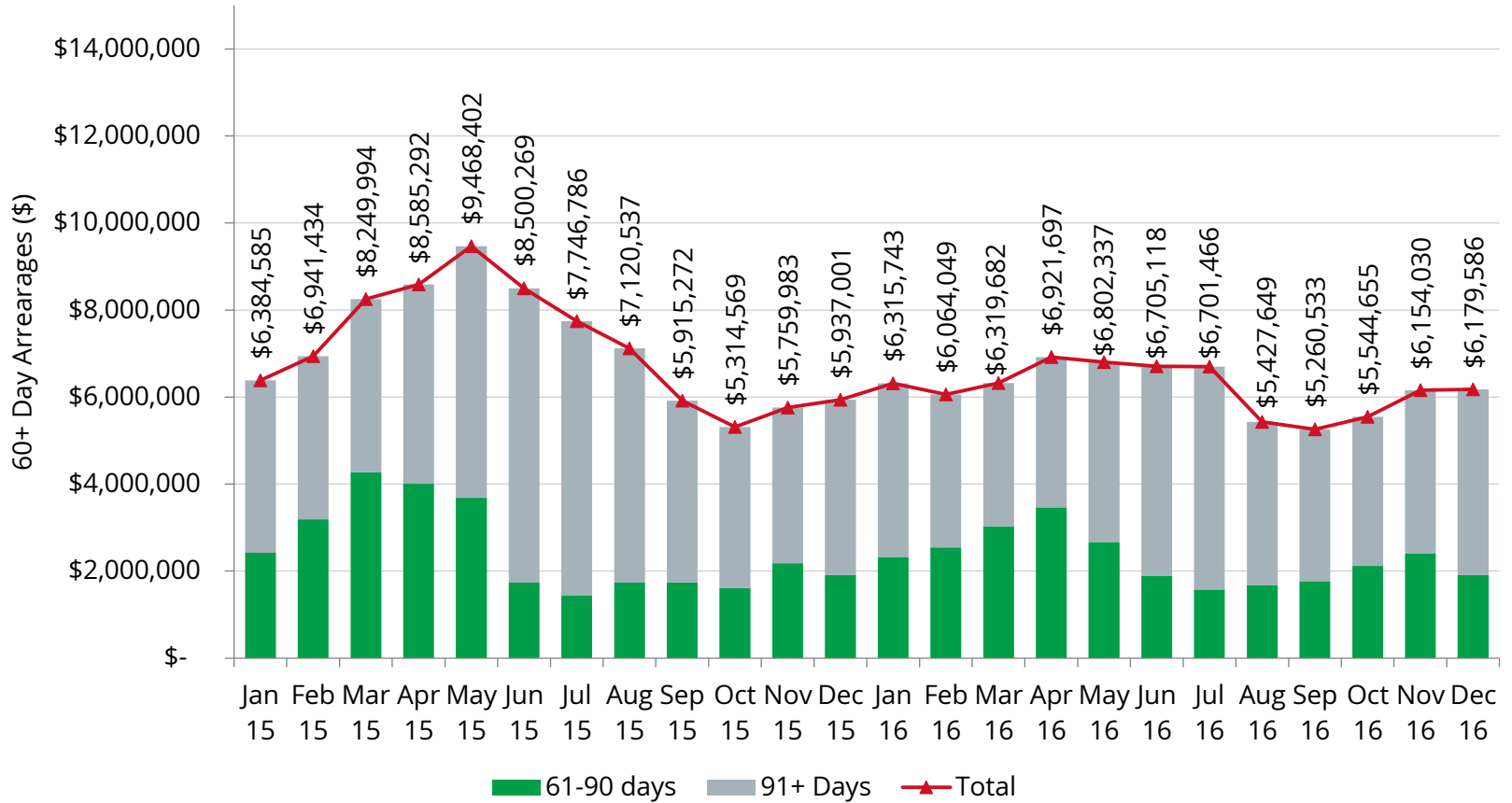
Attachment 1 to Response to SC-2 Question No. 4(a)

**Note:** Beginning March 2020, ENDRO impacted by the COVID-19 pandemic, including the curtailment of disconnections for non-payment and declines in economic factors.

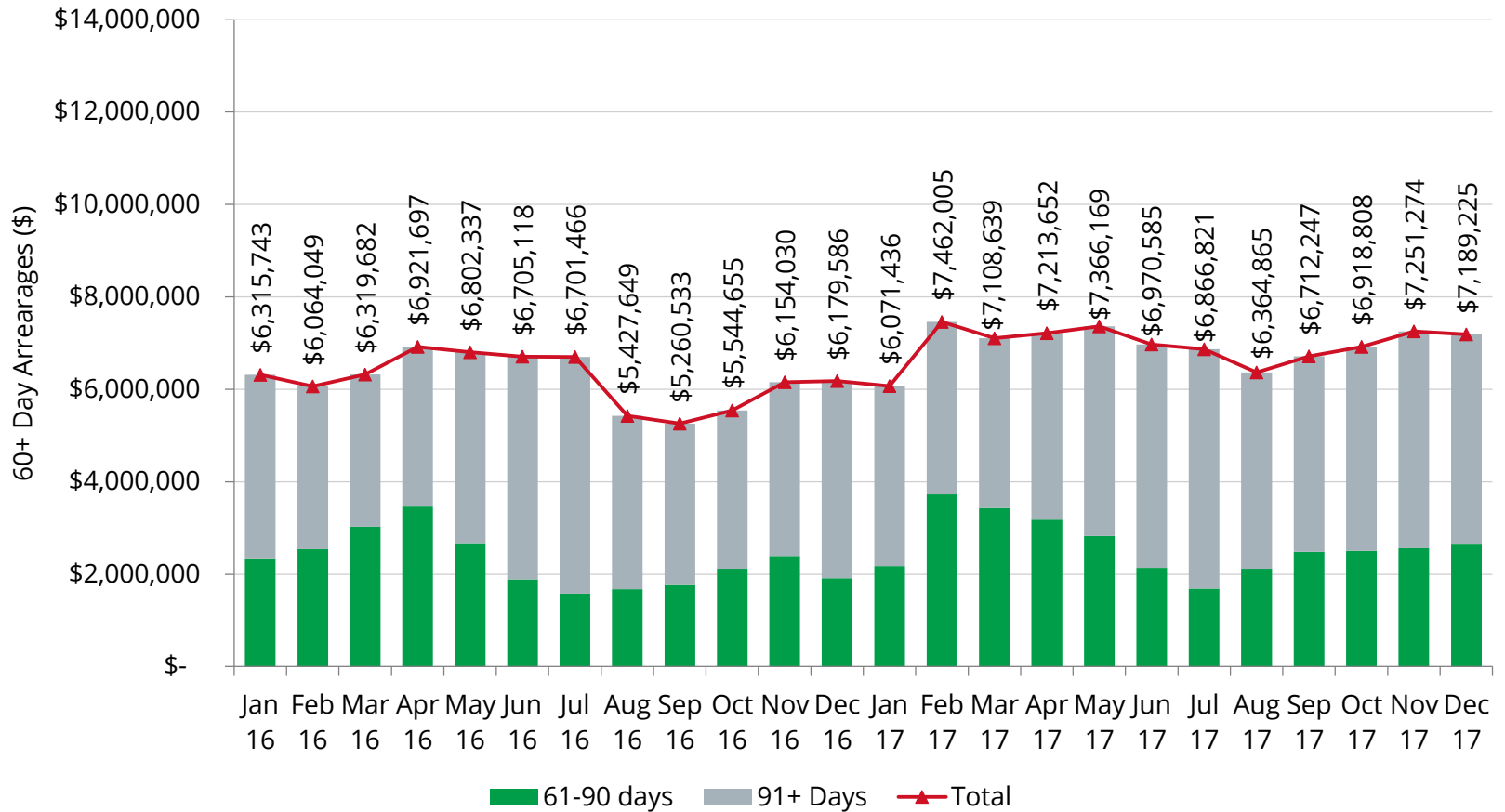
# 60+ Days Arrearages 2016-2020



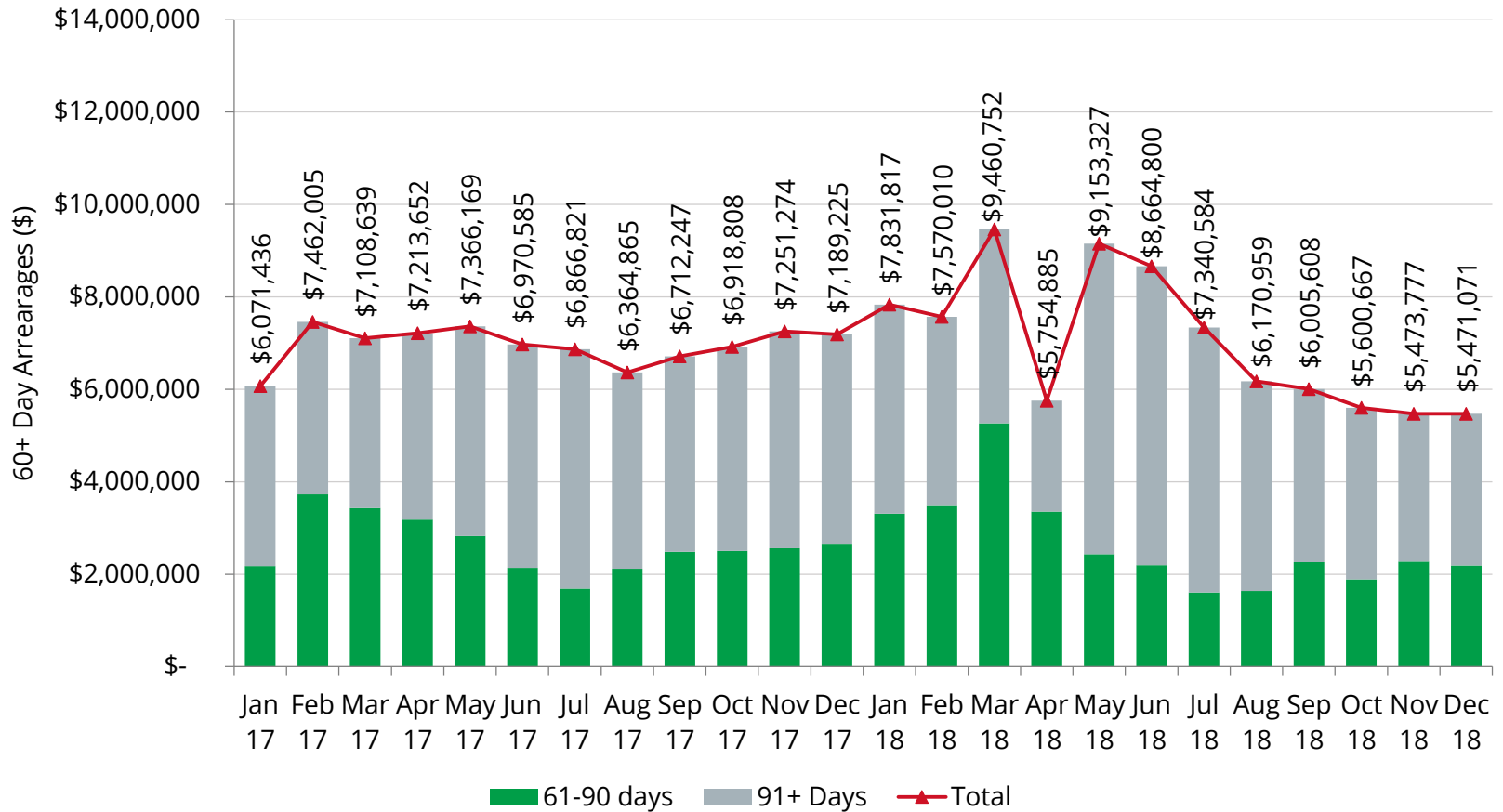
# 2016 60+ Days Arrearages



# 2017 60+ Days Arrearages



# 2018 60+ Days Arrearages



Case No. 2020-00349

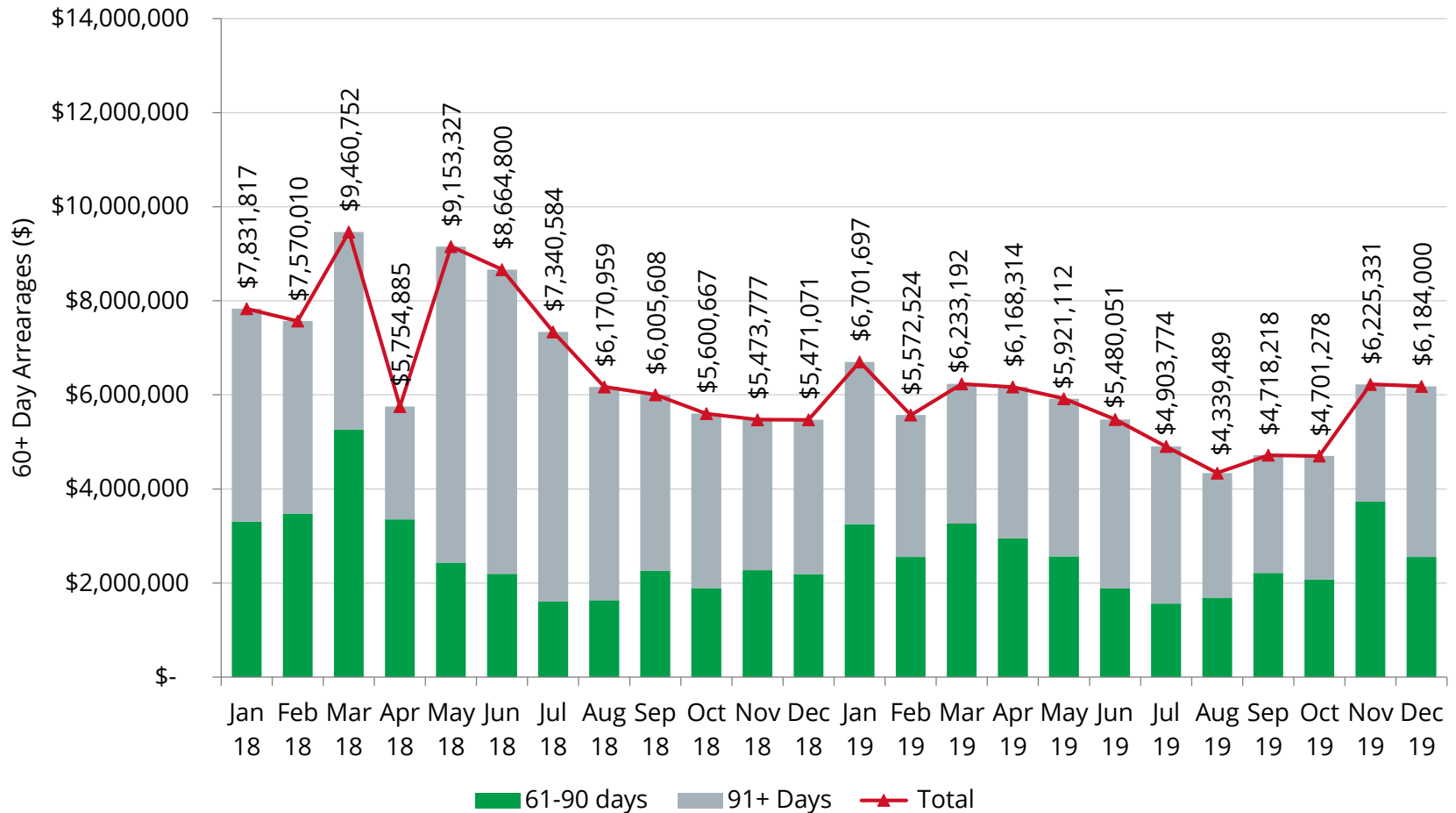
Attachment 1 to Response to SC-2 Question No. 4(a)

Note: The April 2018 decline in 60+ A/R was due primarily to a bill reversal on the Ft. Knox account of approximately \$3.6 million. This reversed in May 2018.

Page 16 of 39

Saunders

# 2019 60+ Days Arrearages



Case No. 2020-00349

Attachment 1 to Response to SC-2 Question No. 4(c)

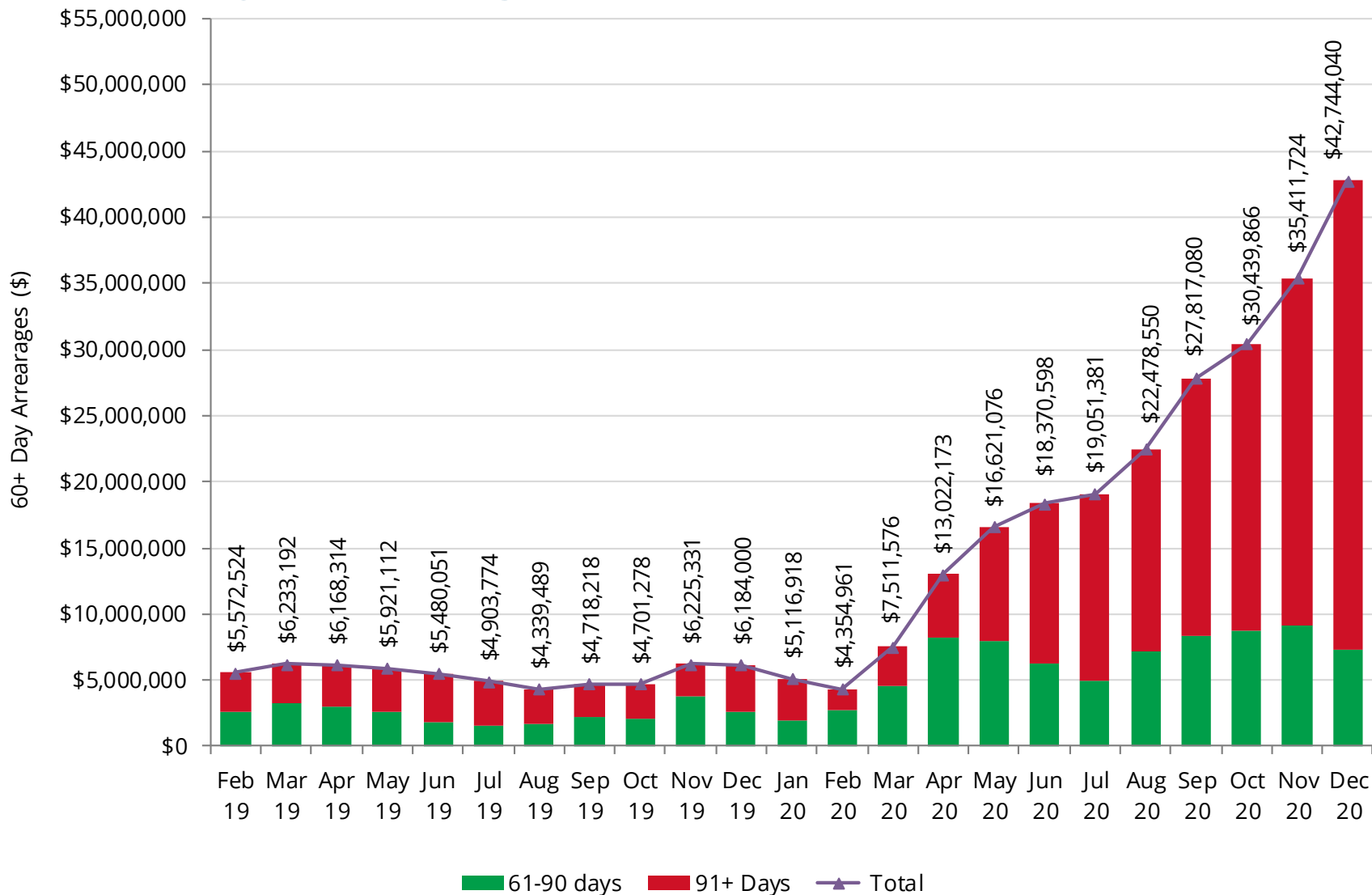
Note: The April 2018 decline in 60+ A/R was due primarily to a bill reversal on the Ft. Knox account of approximately \$3.6 million. This reversed in May 2018.

Page 17 of 39

Saunders



# 2020 60+ Days Arrearages



Case No. 2020-00349

Attachment 1 to Response to SC-2 Question No. 4(a)

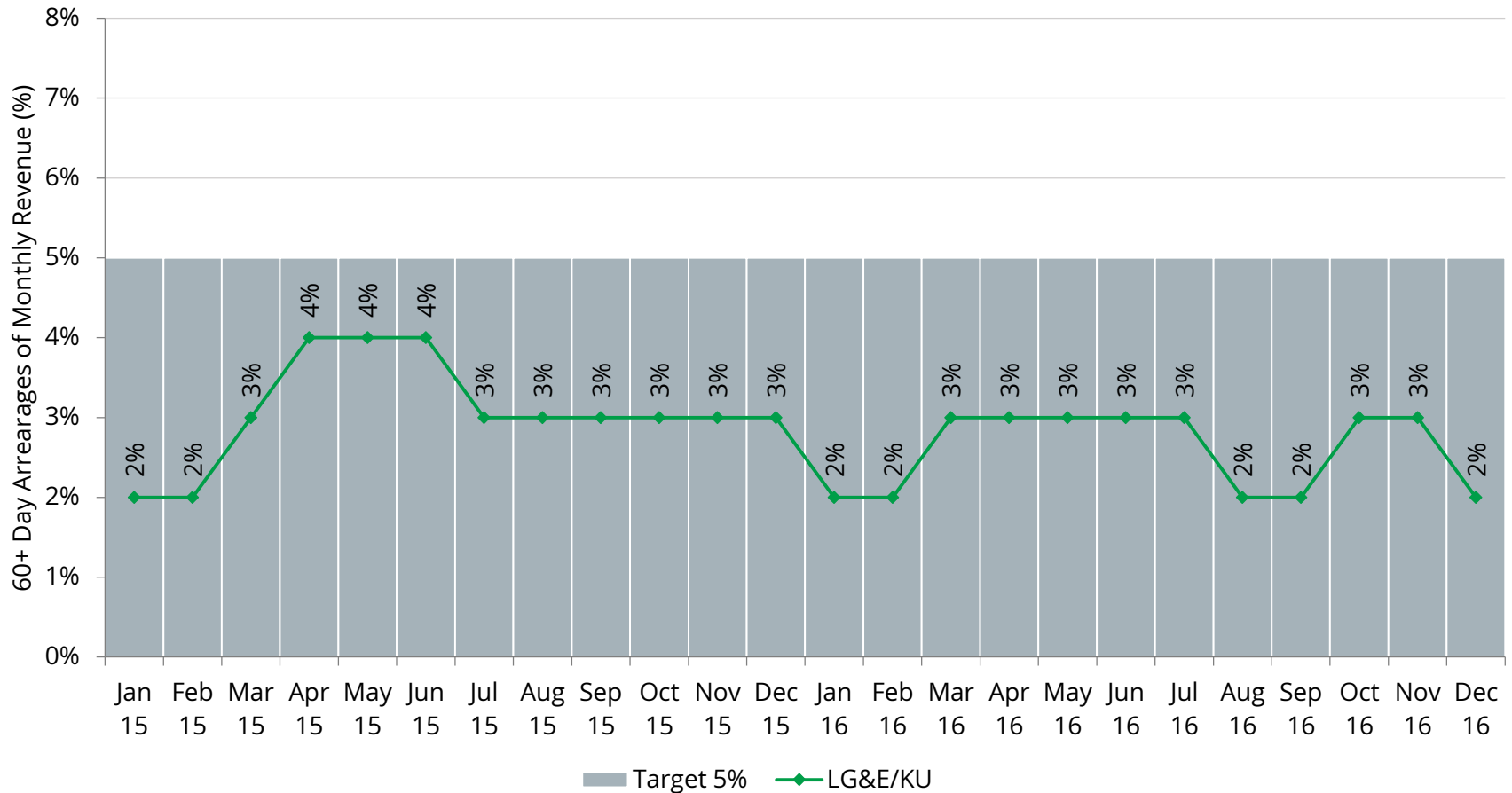
Note: Beginning March 2020, arrearages impacted by the COVID-19 pandemic, including the curtailment of disconnections for non-payment and declines in economic factors.



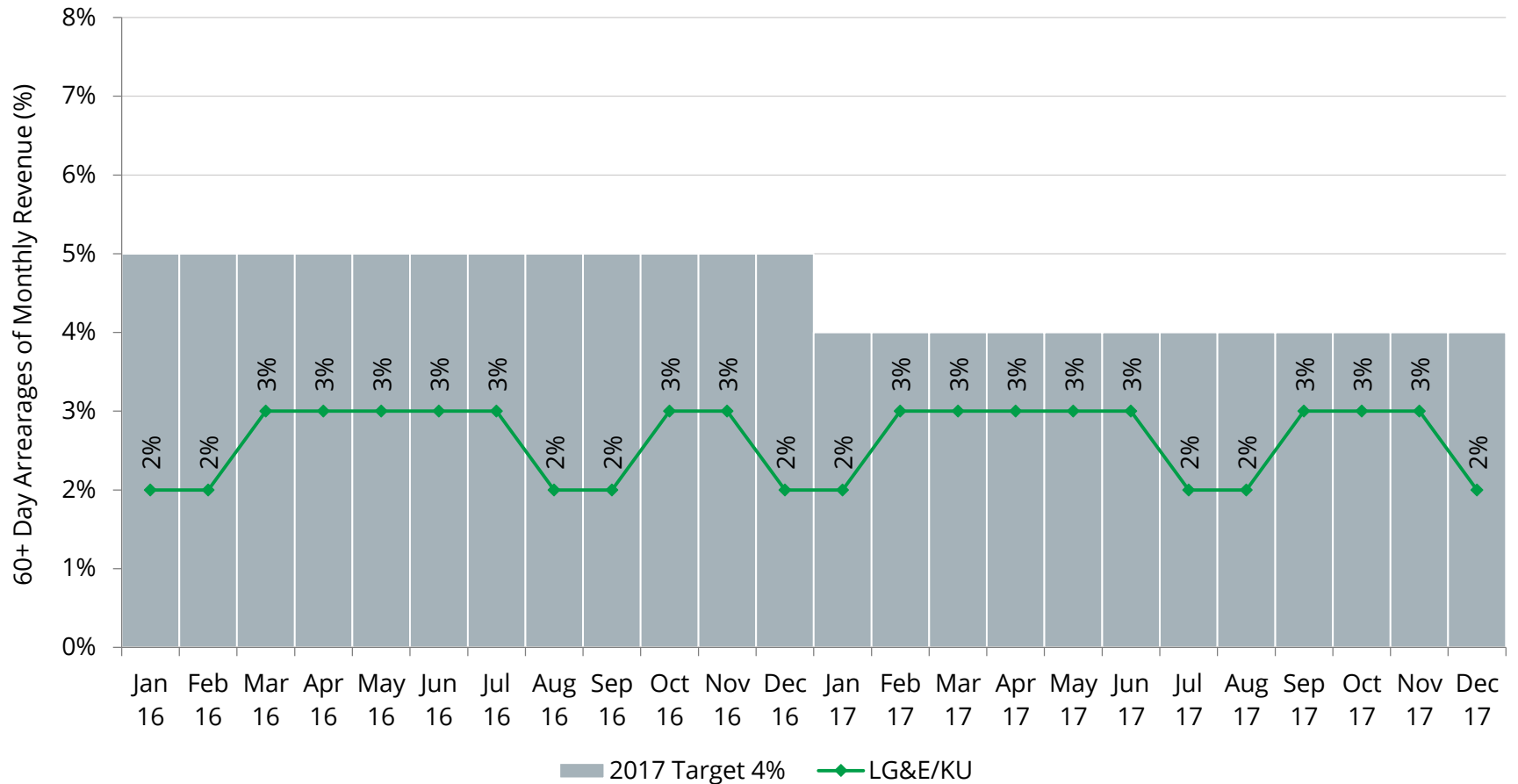
# 60+ Days Arrearages Percentage of Monthly Revenue 2016-2020



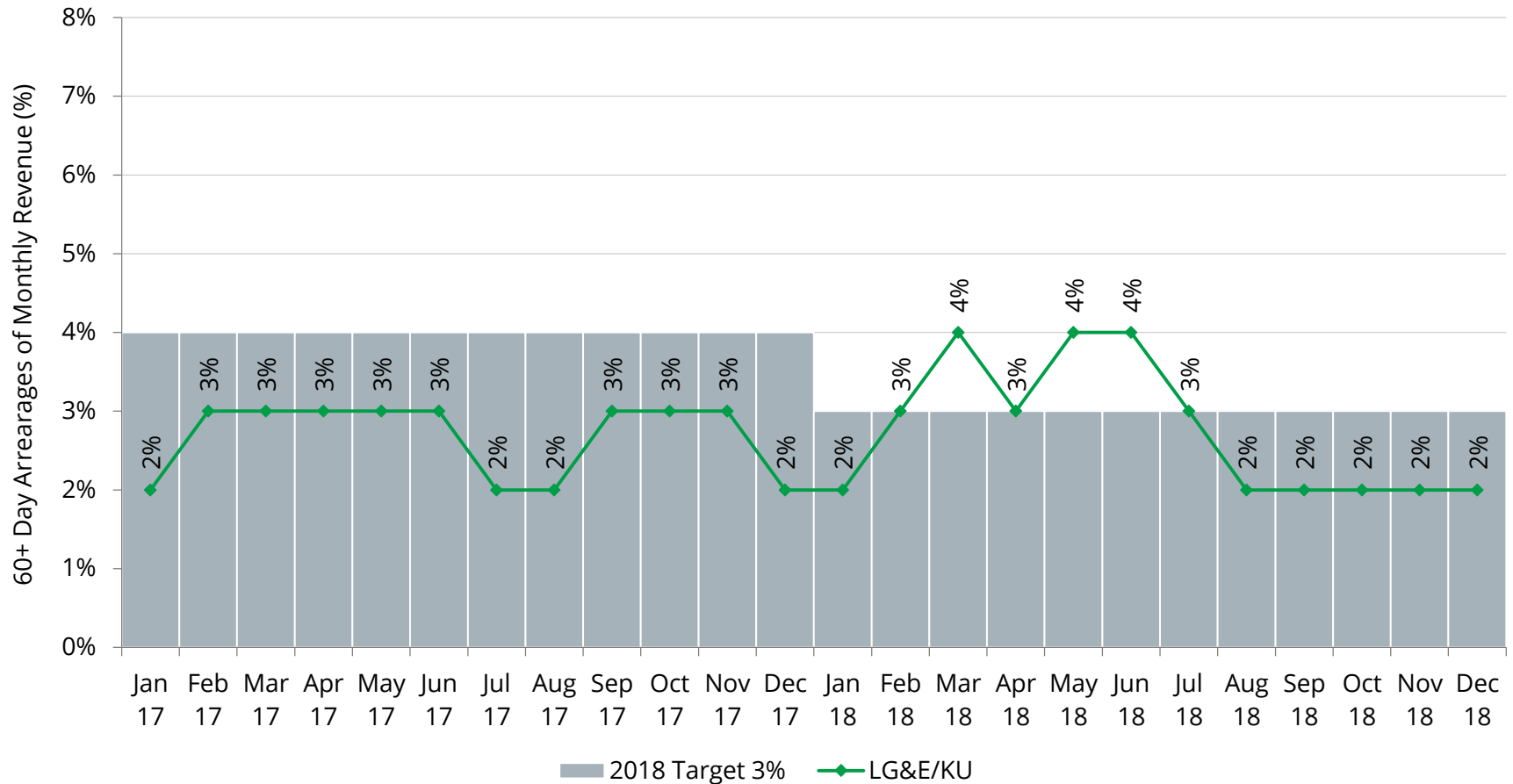
# 2016 60+ Days Arrearages Percentage of Monthly Revenue



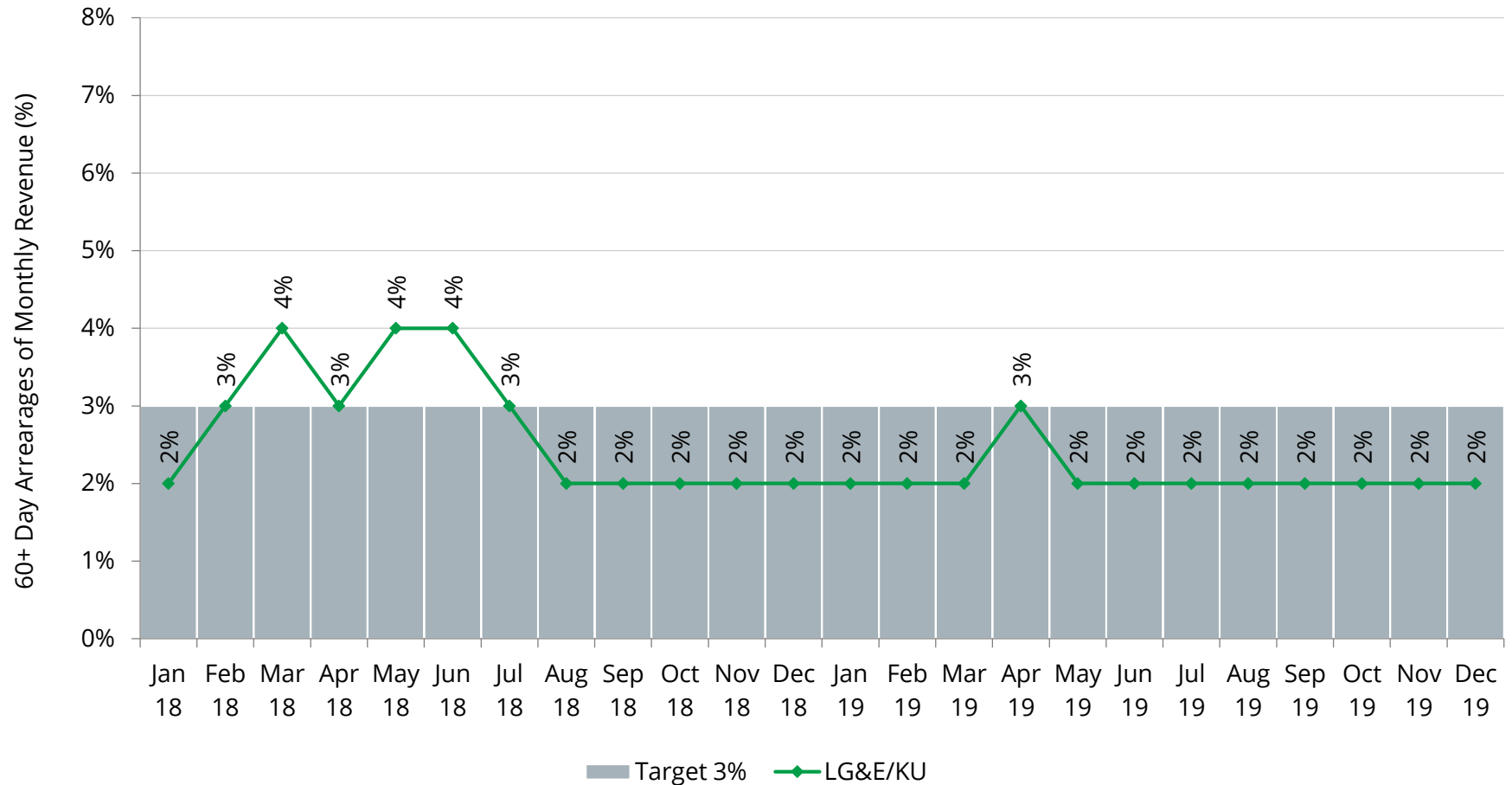
# 2017 60+ Days Arrearages Percentage of Monthly Revenue



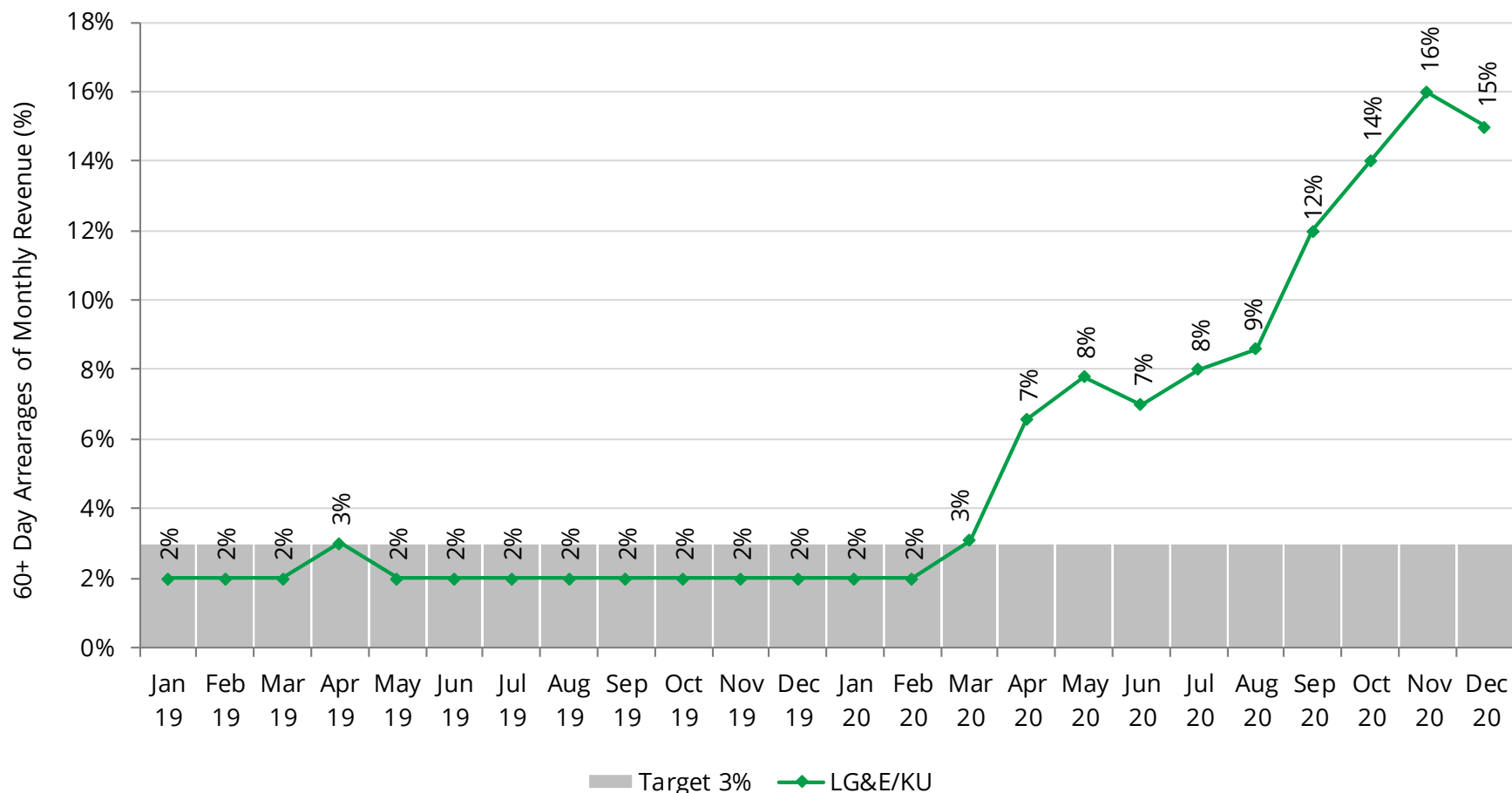
# 2018 60+ Days Arrearages Percentage of Monthly Operating Revenue



# 2019 60+ Days Arrearages Percentage of Monthly Operating Revenue



# 2020 60+ Days Arrearages Percentage of Monthly Billing Revenue



Case No. 2020-00349

Attachment 1 to Response to SC-2 Question No. 4(a)

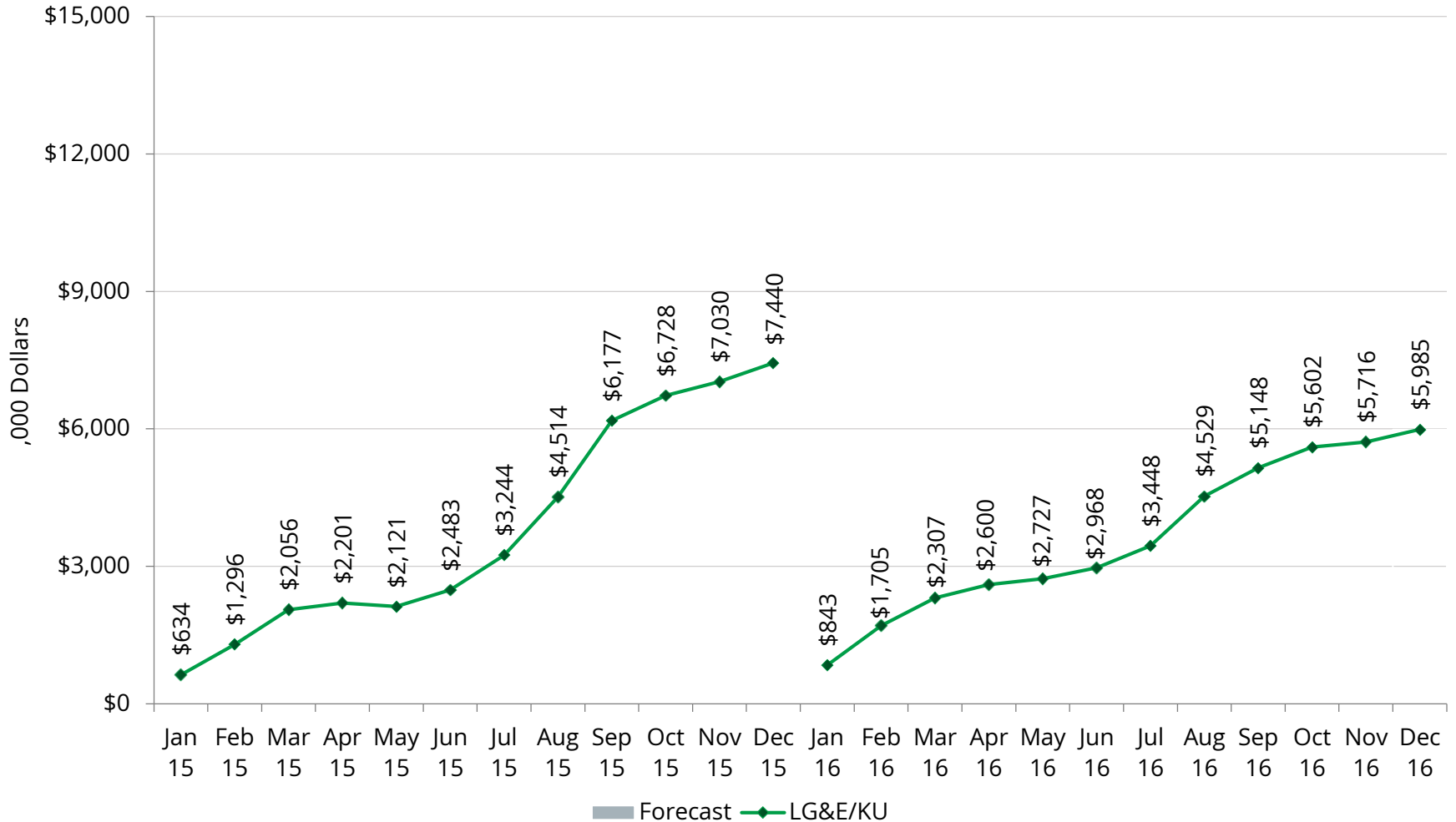
Note: Beginning March 2020, arrearages impacted by the COVID-19 pandemic, including the curtailment of disconnections for non-payment and declines in economic factors.

# Bad Debt Expense 2016-2020





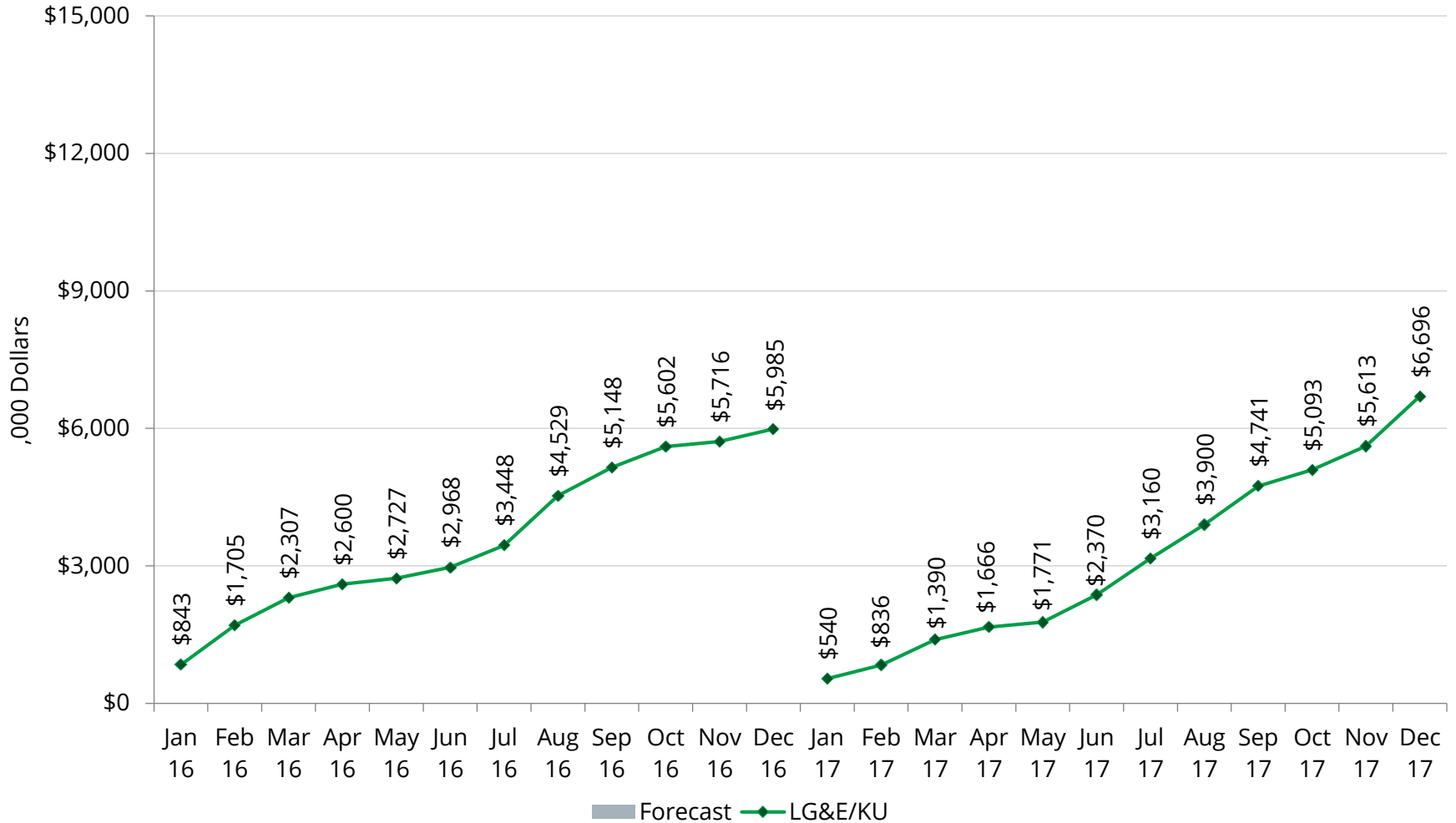
# 2016 Net Charge-offs (cumulative)



Case No. 2020-00349

Attachment 1 to Response to SC-2 Question No. 4(c)

# 2017 Net Charge-offs (cumulative)



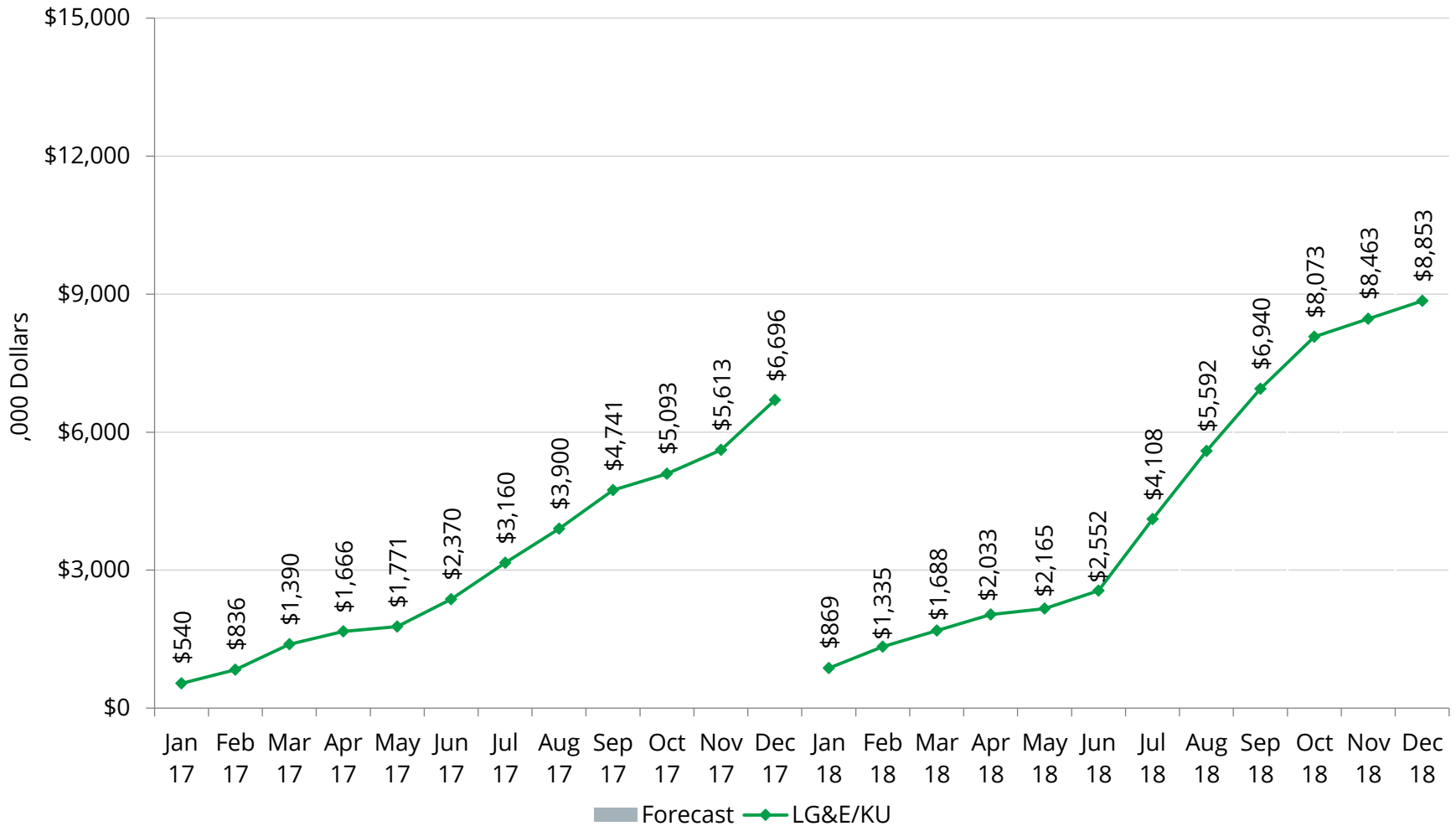
Case No. 2020-00349

Attachment 1 to Response to SC-2 Question No. 4(a)

Page 27 of 39

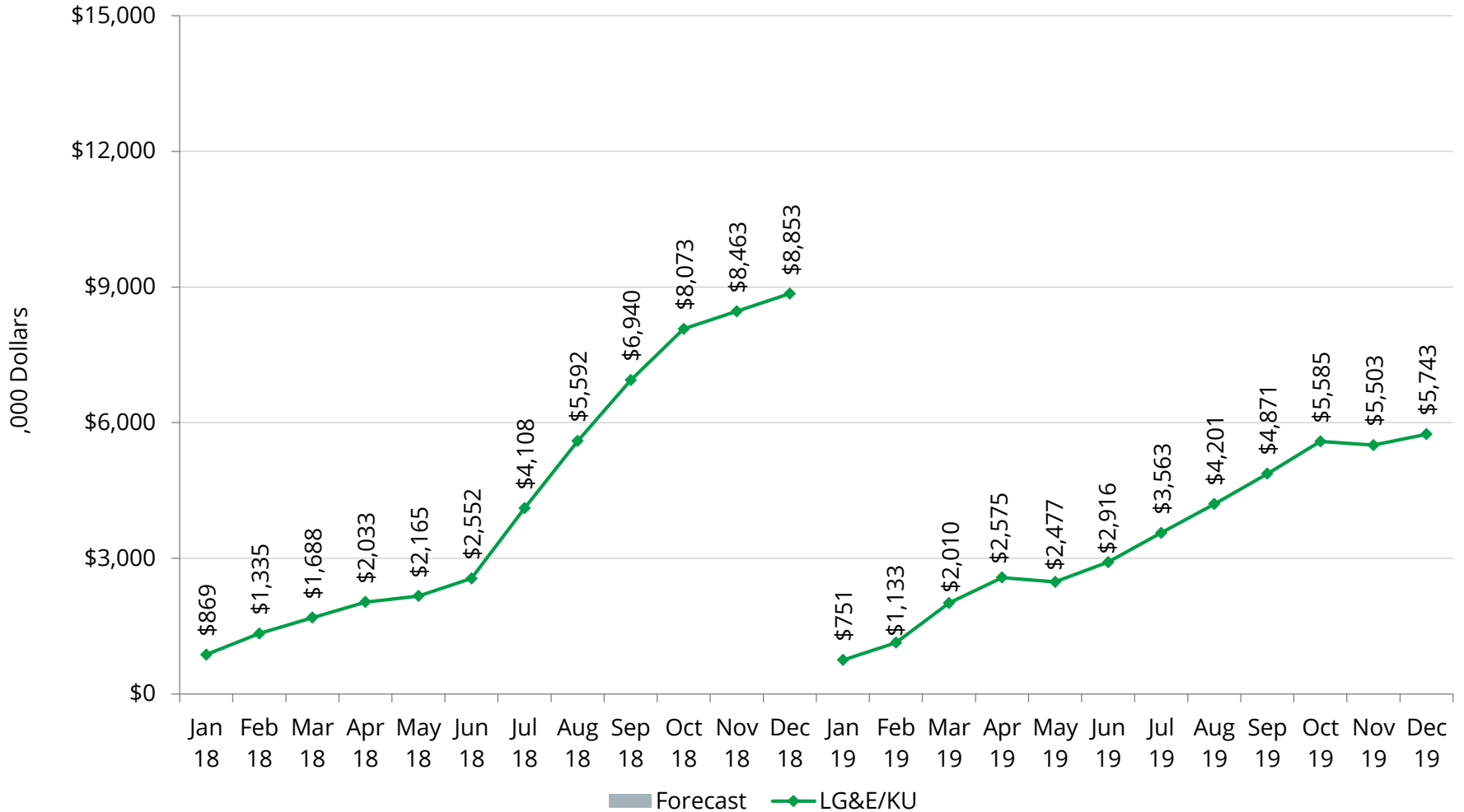
Saunders

# 2018 Bad Debt Expense (cumulative)



Case No. 2020-00349

# 2019 Bad Debt Expense (cumulative)

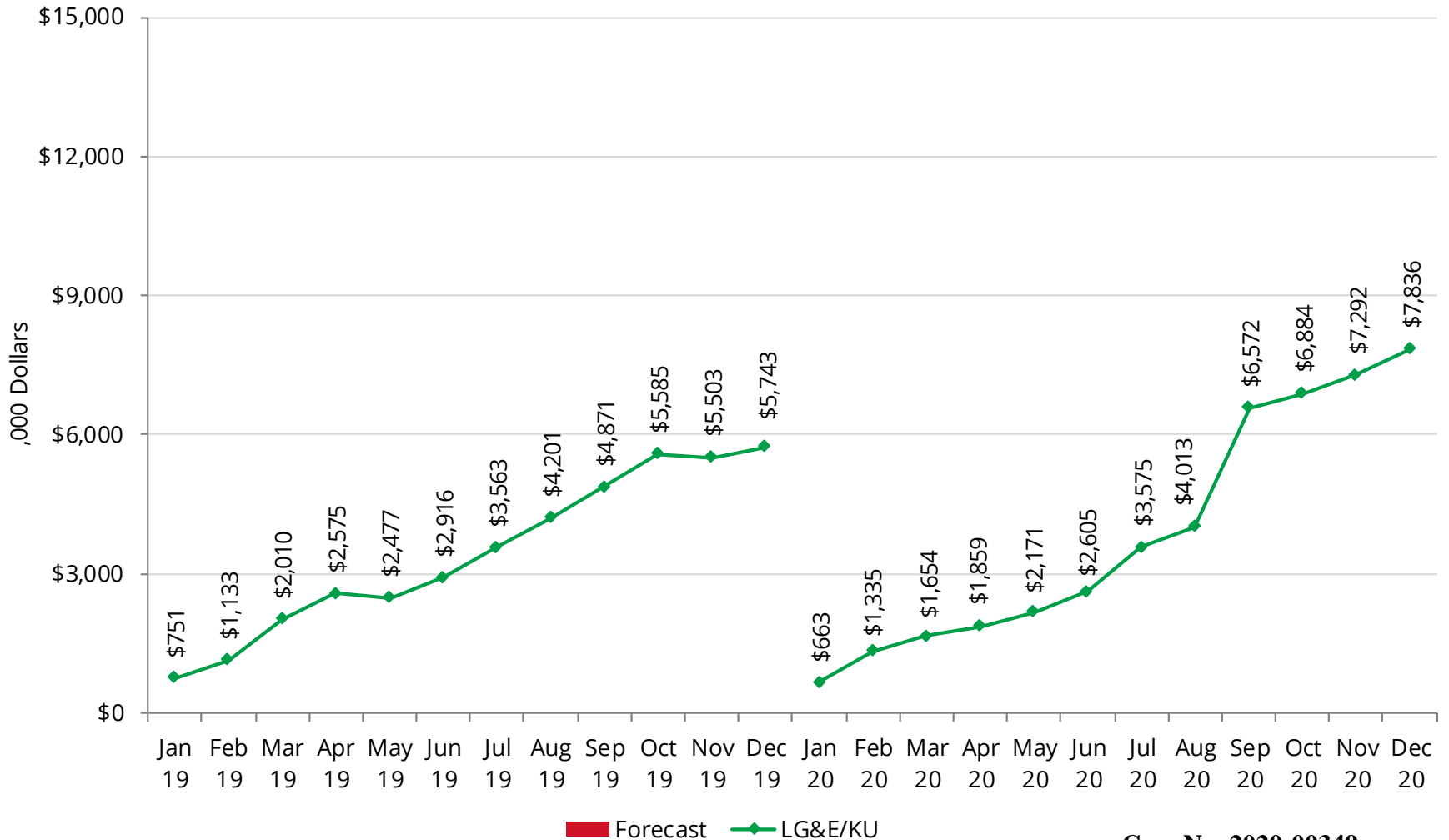


Case No. 2020-00349

Attachment 1 to Response to SC-2 Question No. 4(a)

Note: In September 2019, reduced full year bad debt forecast by \$500k to \$7.146 million. In October 2019, reduced full year forecast by \$508k to \$6.638 million. In November 2019, reduced full year forecast by \$520k to \$6.118 million.

# 2020 Bad Debt Expense (cumulative)



Case No. 2020-00349

Attachment 1 to Response to SC-2 Question No. 4(a)

# COVID Year-End Report



# Monthly Total Accounts Receivable (A/R) vs February (Base Month)

## Open A/R Trends vs February (Baseline Month)

\*Hold CTRL to select multiples options.

- KU
- LG&E
- ODP
- Gas Trans Ind Cust
- Gas Trans Large Comm Cust
- Gas Trans Pub Auth Cust
- Industrial Customers
- Large Commercial Customers
- Mine Power Customers
- Muni Pumping Customers
- Public Authorities Customers

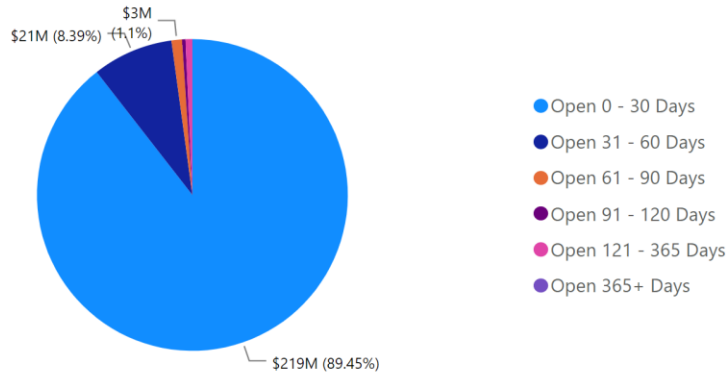
Note: Customers with Multiple Accounts could fall into multiple ADID Groups such as Industrial or Commercial Customers. This can cause the data to be skewed when utilizing the filters.

The company recalled \$17.1M in write offs the weekend of 10/17/20-10/18/20. This resulted in a significant increase in the 365+ days category. This amount will write off again EOY when submitted to new collection agency.

\*Hold CTRL to select multiples options.

- KU
- LG&E
- ODP
- Gas Trans Ind Cust
- Gas Trans Large Comm Cust
- Gas Trans Pub Auth Cust
- Industrial Customers
- Large Commercial Customers
- Mine Power Customers
- Muni Pumping Customers
- Public Authorities Customers

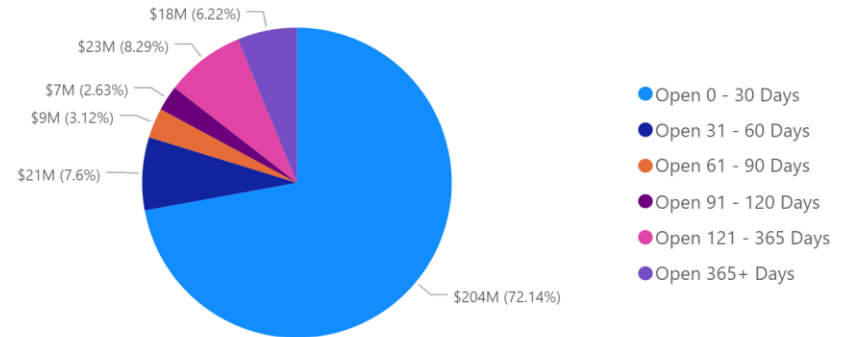
### February Month End by Delinquency



**\$244M**

Open A/R

### December Month to Date by Delinquency



**\$282M**

Open A/R

Case No. 2020-00349

Note: Customers with multiple accounts could fall into multiple Account Determination (ADID) groups such as Industrial or Commercial Customers.

# Month to Date Open A/R by ADID

## Month to Date Open A/R by ADID

(Negative A/R represents an over payment with no active billing documents for it to be applied to)

- KU
- LG&E
- ODP

- KU
- LG&E
- ODP

### February Open A/R by ADID

Group ADID	0-30	31 - 60	61 - 90	91+	31+
Gas Trans Ind Cust	(\$0M)	(\$0M)	(\$0M)	(\$0M)	(\$1M)
Gas Trans Large Comm Cust	\$0M	\$0M	\$0M	\$0M	\$0M
Gas Trans Pub Auth Cust	\$0M	\$0M	\$0M	\$0M	\$0M
Industrial Customers	\$30M	\$1M	\$0M	\$0M	\$1M
Large Commercial Customers	\$29M	\$1M	(\$0M)	(\$0M)	\$1M
Mine Power Customers	\$1M	\$0M	\$0M	\$0M	\$0M
Muni Pumping Customers	\$0M	\$0M	\$0M	\$0M	\$0M
Public Authorities Customers	\$18M	\$2M	\$0M	\$0M	\$2M
Residential Customers	\$102M	\$15M	\$2M	\$2M	\$19M
Small Commercial Customers	\$35M	\$2M	\$0M	\$0M	\$2M
Street Lights Customers	\$1M	\$0M	\$0M	(\$0M)	\$0M
Wholesale Municipals Customer	\$2M	\$0M	\$0M	\$0M	\$0M
<b>Total</b>	<b>\$218M</b>	<b>\$21M</b>	<b>\$3M</b>	<b>\$3M</b>	<b>\$26M</b>

### December Open A/R by ADID

Group ADID	0-30	31-60	61-90	91+	31+
Gas Trans Ind Cust	\$0M	\$0M	\$0M	(\$0M)	\$0M
Gas Trans Large Comm Cust	\$0M	\$0M	\$0M	\$0M	\$0M
Gas Trans Pub Auth Cust	\$0M	\$0M	\$0M	\$0M	\$0M
Industrial Customers	\$32M	\$2M	\$0M	\$3M	\$6M
Large Commercial Customers	\$26M	\$1M	\$0M	\$2M	\$3M
Mine Power Customers	\$0M	\$0M	\$0M	\$0M	\$0M
Muni Pumping Customers	\$0M	\$0M	\$0M	\$0M	\$0M
Public Authorities Customers	\$14M	\$3M	\$0M	\$0M	\$3M
Residential Customers	\$94M	\$12M	\$8M	\$40M	\$60M
Small Commercial Customers	\$35M	\$3M	\$0M	\$4M	\$7M
Street Lights Customers	\$1M	\$0M	\$0M	\$0M	\$0M
Wholesale Municipals Customer	\$1M	\$0M	\$0M	\$0M	\$0M
<b>Total</b>	<b>\$204M</b>	<b>\$21M</b>	<b>\$9M</b>	<b>\$48M</b>	<b>\$79M</b>

Case No. 2020-00349

Note: The company recalled \$17.1M in write offs the weekend of 10/17/2020 – 10/18/2020. This resulted in a significant increase in the 365+ days category. This amount will write off again EOY when submitted to new collection agency.

Attachment 1 to Response to SC 2 Question No. 4(a)



# End of Month A/R Trends

## December Month End A/R Trends 2019 vs. 2020

December 2019 Open A/R by ADID

Group ADID	0-30	31-60	61-90	91+	31+
Gas Trans Ind Cust	(\$0M)	(\$0M)	(\$0M)	(\$0M)	(\$0M)
Gas Trans Large Comm Cust	\$0M	\$0M	\$0M	\$0M	\$0M
Industrial Customers	\$28M	\$1M	\$0M	\$0M	\$1M
Large Commercial Customers	\$30M	\$1M	\$0M	\$0M	\$1M
Mine Power Customers	\$1M	\$0M	\$0M	\$0M	\$0M
Muni Pumping Customers	\$0M	\$0M	\$0M	\$0M	\$0M
Public Authorities Customers	\$17M	\$3M	\$1M	\$0M	\$4M
Residential Customers	\$101M	\$11M	\$2M	\$3M	\$16M
Small Commercial Customers	\$36M	\$2M	\$0M	\$1M	\$3M
Street Lights Customers	\$1M	\$0M	\$0M	(\$0M)	\$0M
Wholesale Municipals Customer	\$2M	\$0M	\$0M	\$0M	\$0M
<b>Total</b>	<b>\$216M</b>	<b>\$18M</b>	<b>\$3M</b>	<b>\$4M</b>	<b>\$24M</b>

December 2020 Open A/R by ADID

Group ADID	0-30	31-60	61-90	91+	31+
Gas Trans Ind Cust	\$0M	(\$0M)	(\$0M)	(\$0M)	(\$0M)
Gas Trans Large Comm Cust	\$0M	\$0M	\$0M	\$0M	\$0M
Industrial Customers	\$36M	\$2M	\$0M	\$3M	\$5M
Large Commercial Customers	\$27M	\$1M	\$0M	\$2M	\$3M
Mine Power Customers	\$1M	\$0M	\$0M	\$0M	\$0M
Muni Pumping Customers	\$0M	\$0M	\$0M	\$0M	\$0M
Public Authorities Customers	\$17M	\$2M	\$0M	\$0M	\$2M
Residential Customers	\$95M	\$10M	\$6M	\$41M	\$57M
Small Commercial Customers	\$35M	\$2M	\$0M	\$4M	\$6M
Street Lights Customers	\$1M	\$0M	\$0M	\$0M	\$0M
Wholesale Municipals Customer	\$1M	\$0M	\$0M	\$0M	\$0M
<b>Total</b>	<b>\$213M</b>	<b>\$16M</b>	<b>\$7M</b>	<b>\$50M</b>	<b>\$73M</b>

The company recalled \$17.1M in write offs the weekend of 10/17/20-10/18/20. This resulted in a significant increase in the 365+ days category. This amount will write off again EOY when submitted to new collection agency.

December 2019 #CA Delinquent

Group ADID	0-30	31-60	61-90	91+	31+
Gas Trans Ind Cust	18	2	1	4	7
Gas Trans Large Comm Cust	4	2	0	0	2
Gas Trans Pub Auth Cust	0	0	0	0	0
Industrial Customers	1,767	239	22	61	322
Large Commercial Customers	19,030	2,523	473	738	3,734
Mine Power Customers	50	8	0	0	8
Muni Pumping Customers	248	52	0	1	53
Public Authorities Customers	11,923	2,148	134	68	2,350
Residential Customers	668,799	116,691	31,491	43,879	192,061
Small Commercial Customers	86,228	9,825	1,544	2,077	13,446
Street Lights Customers	1,426	163	30	57	250
Wholesale Municipals Customer	2	0	0	0	0
<b>Total</b>	<b>789,495</b>	<b>131,653</b>	<b>33,695</b>	<b>46,885</b>	<b>212,233</b>

December 2020 #CA Delinquent

Group ADID	0-30	31-60	61-90	91+	31+
Gas Trans Ind Cust	16	1	1	3	5
Gas Trans Large Comm Cust	7	0	0	0	0
Gas Trans Pub Auth Cust	0	0	0	0	0
Industrial Customers	1,729	182	37	140	359
Large Commercial Customers	19,221	2,217	581	2,029	4,827
Mine Power Customers	44	2	0	2	4
Muni Pumping Customers	256	51	4	0	55
Public Authorities Customers	12,059	1,625	53	66	1,744
Residential Customers	667,486	110,261	71,226	175,477	356,964
Small Commercial Customers	85,997	10,309	1,934	5,209	17,452
Street Lights Customers	1,527	179	55	135	369
Wholesale Municipals Customer	3	0	0	0	0
<b>Total</b>	<b>788,345</b>	<b>124,827</b>	<b>73,891</b>	<b>183,061</b>	<b>381,779</b>

Case No. 2020-00349

Note: The company recalled \$17.1M in write offs the weekend of 10/17/2020 - 10/18/2020. This resulted in a significant increase in the 365+ days category. This amount will write off again EOY when submitted to new collection agency.

Note: Customers having balances in multiple arrearage buckets will be counted for each in the 31+ Day column.

# Month to Date Percentage Change in Age of Arrears

## Month to Date % Change in Age of Arrears as Compared to February Baseline

	Receivable Dollars (\$M)	Baseline: End of February					Month to Date: December					Percentage Change in Current Compared to Baseline					
		Open	0-30	31-60	61-90	91+	Open	0-30	31-60	61-90	91+	Open	0-30	31-60	61-90	91+	31+
<b>KU</b>	<b>All Customers</b>	<b>122.81</b>	<b>109.77</b>	<b>9.97</b>	<b>1.65</b>	<b>1.40</b>	<b>148.65</b>	<b>106.63</b>	<b>11.94</b>	<b>4.46</b>	<b>25.62</b>	<b>21%</b>	<b>-3%</b>	<b>20%</b>	<b>171%</b>	<b>1730%</b>	<b>223%</b>
	Residential	58.21	48.22	7.45	1.37	1.18	76.15	44.61	6.25	3.87	21.42	31%	-7%	-16%	183%	1717%	216%
	Industrial	21.33	20.49	0.69	0.19	-0.03	26.70	22.82	1.86	0.30	1.72	25%	11%	170%	60%	-5648%	359%
	Large Commercial	6.85	6.63	0.21	0.01	-0.07	7.52	6.79	0.50	0.03	0.19	10%	2%	138%	114%	-371%	368%
	Public Authorities	9.15	8.47	0.63	0.02	0.03	9.47	8.00	1.43	0.00	0.03	3%	-6%	127%	-100%	-6%	115%
	Small Commercial	22.82	21.64	0.91	0.06	0.22	26.56	22.30	1.81	0.25	2.20	16%	3%	100%	339%	882%	259%
<b>LGE</b>	<b>All Customers</b>	<b>115.44</b>	<b>103.54</b>	<b>9.80</b>	<b>0.96</b>	<b>1.14</b>	<b>124.76</b>	<b>91.68</b>	<b>8.50</b>	<b>4.00</b>	<b>20.58</b>	<b>8%</b>	<b>-11%</b>	<b>-13%</b>	<b>317%</b>	<b>1705%</b>	<b>178%</b>
	Residential	59.70	50.82	6.70	1.00	1.17	72.69	46.18	5.55	3.58	17.38	22%	-9%	-17%	258%	1380%	199%
	Industrial	9.69	9.35	0.12	0.00	0.22	9.73	9.22	0.13	0.00	0.39	16%	-1%	13%	-100%	77%	55%
	Large Commercial	21.90	21.21	0.78	-0.03	-0.07	20.50	18.27	0.65	0.27	1.31	-6%	-14%	-17%	-971%	-2115%	226%
	Public Authorities	10.32	8.80	1.53	0.01	-0.02	6.83	5.61	1.21	0.00	0.00	-34%	-36%	-21%	-100%	-100%	-20%
	Small Commercial	13.94	12.94	0.67	0.08	0.26	14.55	11.99	0.89	0.15	1.51	4%	-7%	33%	95%	488%	155%
<b>ODP</b>	<b>All Customers</b>	<b>6.19</b>	<b>5.37</b>	<b>0.74</b>	<b>0.07</b>	<b>0.01</b>	<b>9.02</b>	<b>5.44</b>	<b>1.02</b>	<b>0.36</b>	<b>2.21</b>	<b>46%</b>	<b>1%</b>	<b>39%</b>	<b>407%</b>	<b>16900%</b>	<b>338%</b>
<b>Total</b>	<b>All Customers</b>	<b>244.44</b>	<b>218.68</b>	<b>20.50</b>	<b>2.68</b>	<b>2.55</b>	<b>282.43</b>	<b>203.76</b>	<b>21.45</b>	<b>8.81</b>	<b>48.41</b>	<b>16%</b>	<b>-7%</b>	<b>5%</b>	<b>229%</b>	<b>1796%</b>	<b>206%</b>
	Percentage of Total		89%	8%	1%	1%		72%	8%	3%	17%						

~\$17.1 of 91+ for KU and LGE was recalled from Collection Agency 10/17/20-10/18/20

# Dunning Statistics

Group Company...

- KU
- LG&E
- ODP

\*Hold CTRL to select multiples options.

CA Group ADID

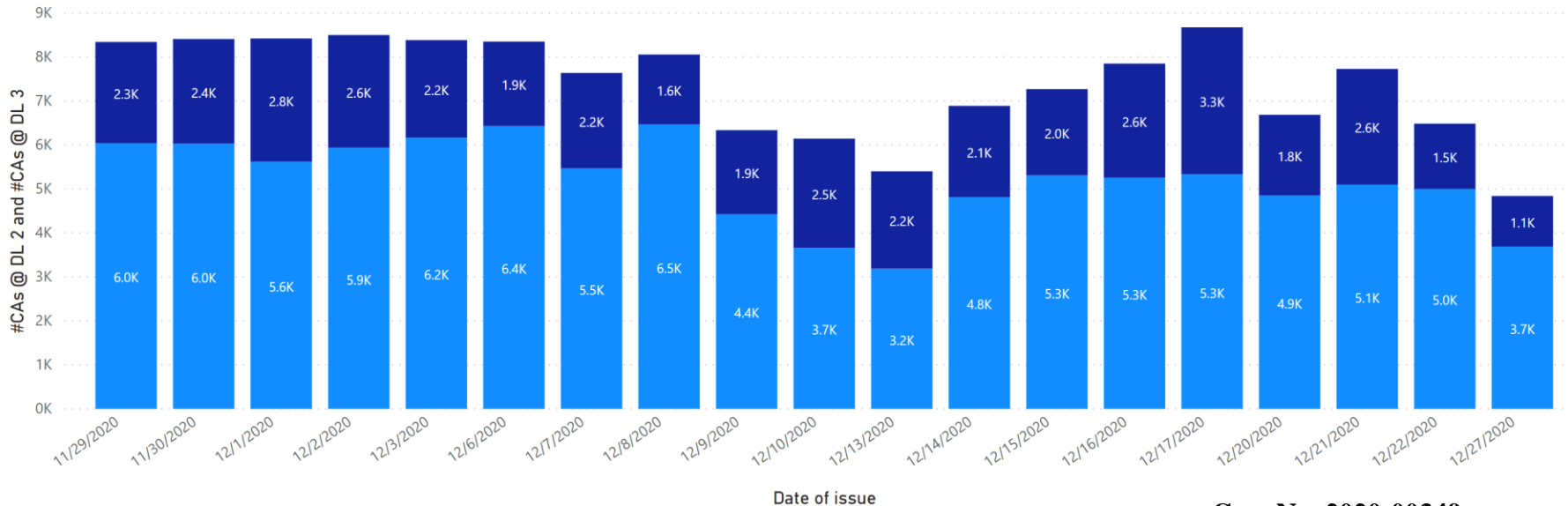
- Large Commercial Customers
- Mine Power Customers
- Muni Pumping Customers
- Public Authorities Customers
- Residential Customers
- Small Commercial Customers
- Street Lights Customers
- Wholesale Municipals Customer

## COVID Dunning Statistics

Jul # Eligible for Disconnection	Aug # Eligible for Disconnection	Sep # Eligible for Disconnection	Oct # Eligible for Disconnection	Nov # Eligible for Disconnection	Rolling 30 Day # Eligible for Disconnection
48K	59K	63K	48K	48K	42K
Jul # Late Notices	Aug # Late Notices	Sep # Late Notices	Oct # Late Notices	Nov # Late Notices	Rolling 30 Day # Late Notices
128K	155K	151K	117K	117K	99K

#CAs with Late Notices (DL2) and #CAs Eligible for Disconnection (DL3)

● #CAs @ DL 2 ● #CAs @ DL 3



Case No. 2020-00349

Note: The data shown is residential only.

Attachment 1 to Response to SC-2 Question No. 4(a)

# Dunning Statistics Comparison

## Dunning Statistics Comparison to Last Year

### Group Company...

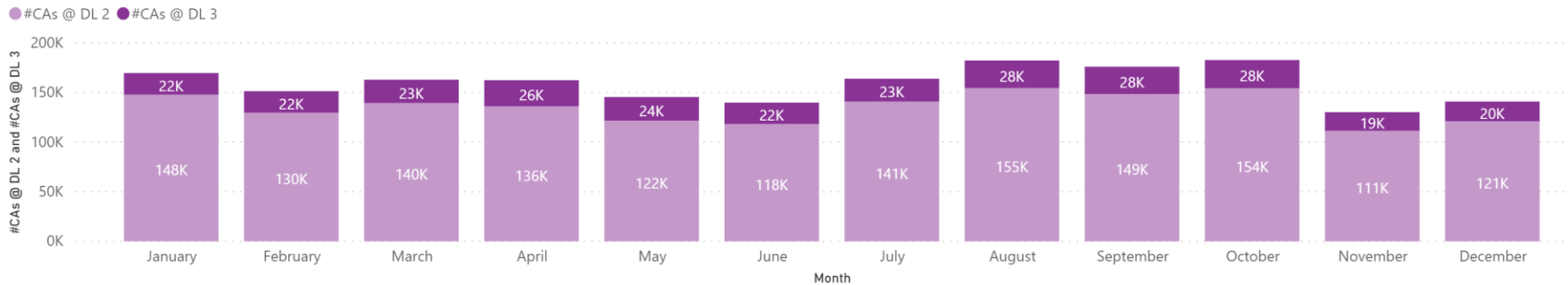
- KU
- LG&E
- ODP

\*Hold CTRL to select multiples options.

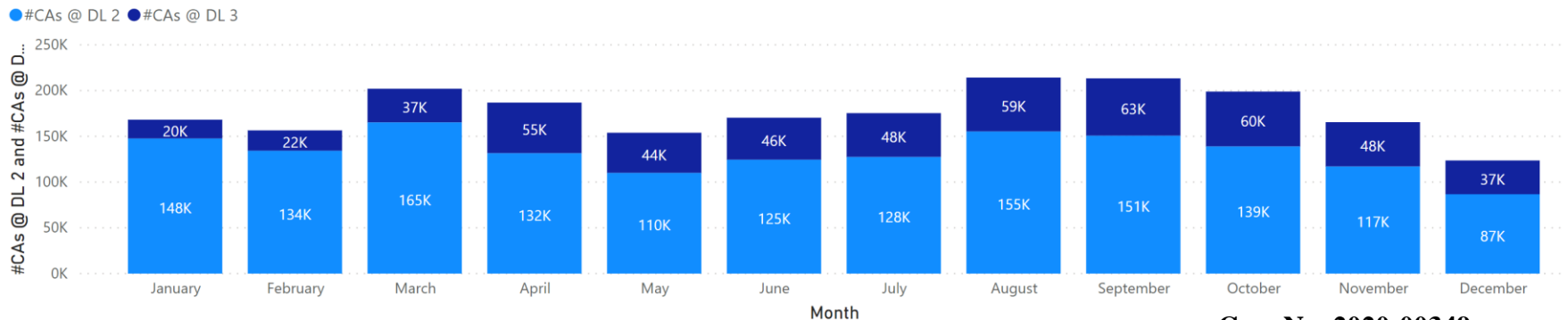
### CA Group ADID

- Industrial Customers
- Large Commercial Customers
- Mine Power Customers
- Muni Pumping Customers
- Public Authorities Customers
- Residential Customers
- Small Commercial Customers

2019 by Month DL2(Notice) and DL3(Disconnection Order)



2020 by Month DL2(Notice) and DL3(Disconnection Order)



Case No. 2020-00349

Note: The data shown is residential only.

Attachment 1 to Response to SC-2 Question No. 4(a)

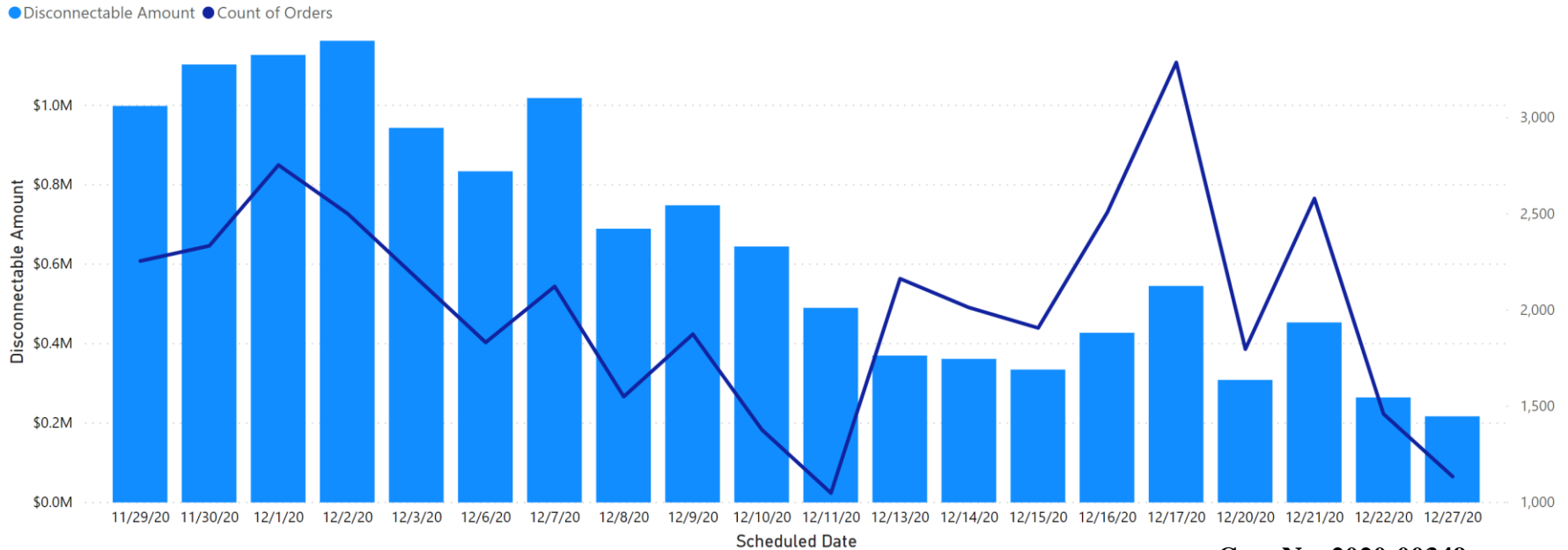
# Dunning Amounts

- KU
- LG&E
- ODP
- Gas Trans Ind Cust
- Industrial Customers
- Large Commercial Customers
- Mine Power Customers
- Muni Pumping Customers
- Public Authorities Customers
- Residential Customers
- Small Commercial Customers
- Street Lights Customers

## COVID Dunning Disconnection Amounts

Avg Amount in Sept	Avg Amount in Oct	Avg Amount in Nov	Avg Amount in last 30 Days
\$405.32	\$433.43	\$445.56	\$320.67

Disconnectable Amount



Case No. 2020-00349

Note: The data shown is residential only.

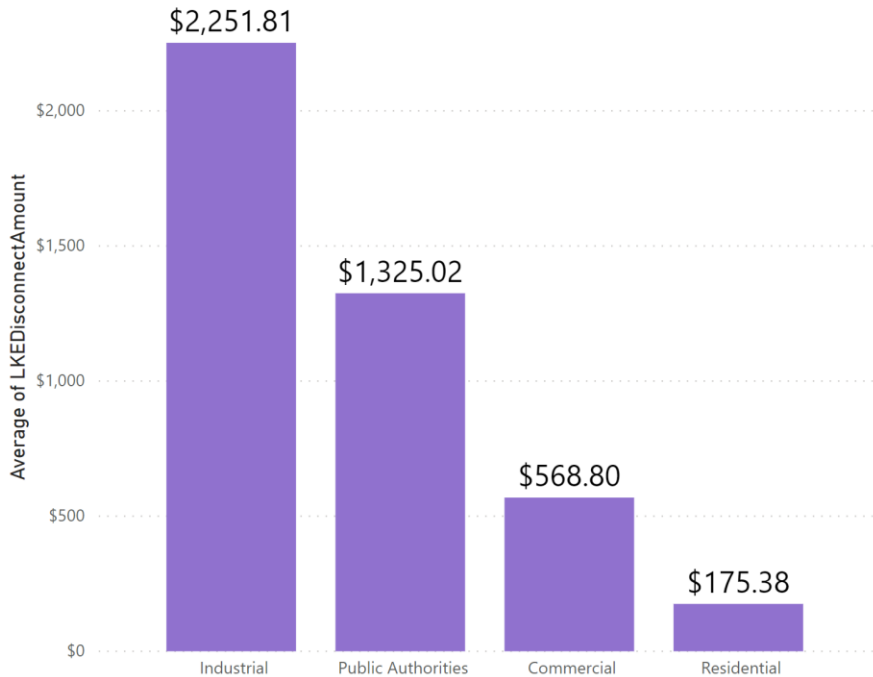
Attachment 1 to Response to SC-2 Question No. 4(a)

# Average Dunning Disconnection Order Amounts

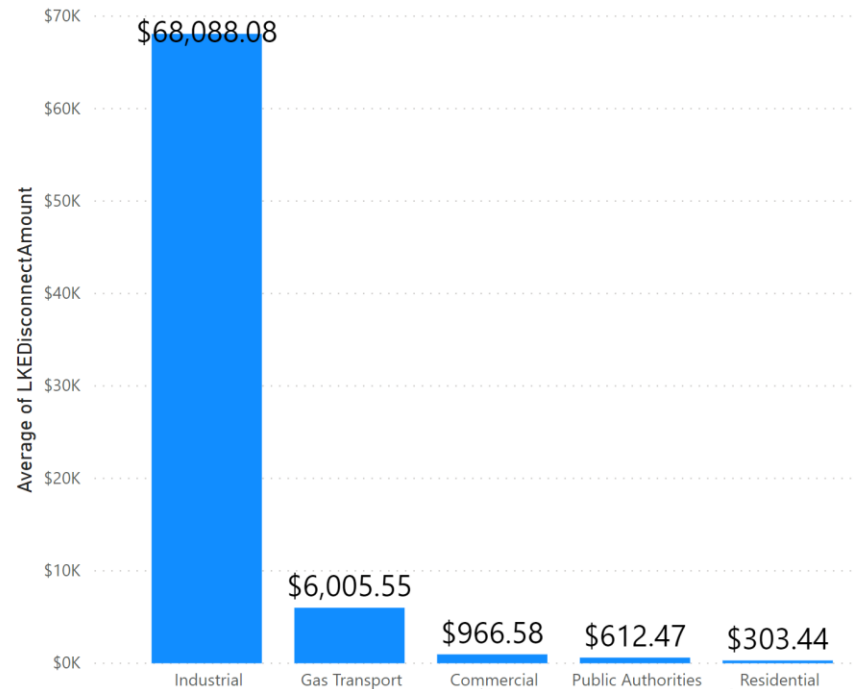
- KU
- LG&E
- ODP
- Commercial
- Gas Transport
- Industrial
- Public Authorities
- Residential

## Average Dunning Disconnection Order Amounts

Average of Disconnection Amount by December 2019



Average of Disconnection Amount December 2020



Case No. 2020-00349

# Assistance programs

Residential services / Assistance programs

## Assistance programs

Connect with these community partners who can provide assistance to those who qualify.

[KU and ODP heating or cooling assistance](#)

[LG&E heating or cooling assistance](#)

[Project Warm \(Louisville\)](#)

[Community Action Kentucky](#)

[Virginia Dept. of Social Services](#)

## Save energy & money

Our energy-saving programs and tips can help you and your family save money.

[Energy efficiency tips & resources](#)

[Programs and tools](#)

## Help customers in need

Our programs below are a great way to help others in need.

[KU WinterCare](#)

[LG&E Winterhelp](#)

[ODP WinterShare](#)

[Home Utility Gift \(HUG\) certificate](#)

## Ways to manage your bill

[Auto Pay](#)

[Budget payment plan](#)

[ODP serious medical condition](#)

## Partnering in our communityTake advantage of resources to help enhance our community and the lives of its residents.

Take advantage of resources to help enhance our community and the lives of its residents.

[Grant programs and applications](#)

[Safety and Educational Outreach](#)

## WeCare Program (Kentucky)

WeCare Program helps provide a more efficient, safe and comfortable home. More importantly, it teaches our income-eligible customers how to be more efficient and manage their energy bills.

[\[ Learn more \]](#)

## Related news

[Why is my bill estimated sometimes? And what does that mean?](#)

[Cold weather's impact on recent monthly utility bills](#)

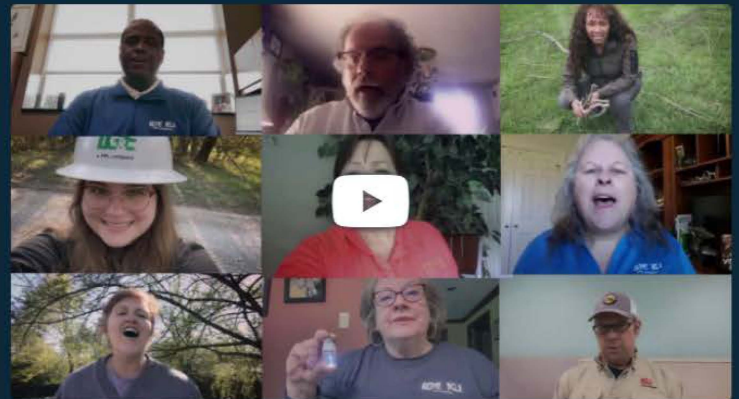
# Important COVID-19 information

Safety / Important COVID-19...

The COVID-19 pandemic has created unprecedented challenges for our customers and the communities we serve. We've taken quick and thoughtful actions to make doing business with us safer, and temporarily relaxed some policies we hope will ease some of the stress associated with the coronavirus.

In partnership with others in our communities, we're also supporting organizations that will provide direct relief to those impacted most by this ongoing crisis.

Now more than ever, we're here for you. Read more from a [special message from our President and CEO](#).



## For LG&E customers

[Continue](#)

## For KU customers

[Continue](#)

## For ODP customers

[Continue](#)

### Beware of scams

Unfortunately, scammers may try to take advantage during this situation. Remember that LG&E, KU and ODP will never call you and ask for credit or debit card numbers or other personal information. Customers who receive a suspicious phone call should hang up and contact us directly if someone calls and demands payment of your bill.

[Learn more](#)

### Home visits & service work

We continue to make some in-home visits to perform service-related work within compliance of the CDC guidelines.

[Learn more](#)

### News & updates

[Lower fuel costs help hold down LG&E and KU energy bills](#)  
April 15, 2020

[Six tips to keep energy use in check](#)  
April 1, 2020

[Flushing wipes can be costly and dangerous](#)  
March 27, 2020

[LG&E and KU warn customers of utility scammers during COVID-19](#)  
March 24, 2020

[LG&E and KU Foundation teams up for COVID-19 relief in Lexington](#)  
March 23, 2020

[Company partners to support new Louisville coronavirus relief fund](#)  
March 19, 2020

[LG&E, KU and ODP expand suspension of disconnects to business customers](#)  
March 17, 2020

[LG&E, KU and ODP suspend residential disconnects; waive new late payment fees](#)  
March 16, 2020

### Additional resources

- KY COVID-19 Hotline - (800) 722-5725
- KY COVID-19 Website - [kycovid19.ky.gov](http://kycovid19.ky.gov)
- To report price gouging - (888) 432-9257
- KY Clinicians - (888) 404-1539
- Day SHOC - (502) 564-5460
- The Centers for Disease Control and Prevention - [cdc.gov/coronavirus](http://cdc.gov/coronavirus)
- Medicaid enrollment: [www.healthbenefitexchange.ky.gov](http://www.healthbenefitexchange.ky.gov) 855-459-6328
- Public Assistance Benefits: [www.benefitfind.ky.gov](http://www.benefitfind.ky.gov) 855-306-8959
- Apply for unemployment at [www.kcc.ky.gov](http://www.kcc.ky.gov) or call 502-875-0442
- Donate blood - [redcross.org](http://redcross.org)



**Important COVID-19 Information for KU customers**

Safety / Covid-19 / COVID-19 (CCVI) - 1e...

For Residential customers, disconnections will resume soon.

- If you are behind on payments, see the information below for COVID-19 payment arrangements available to avoid disconnection.
  - o Prior to being disconnected you can sign up for a payment arrangement that best fits your situation.
  - o If you do not select a payment arrangement, your past-due balance will be automatically rolled into a 12-month payment plan one time and you will be sent a separate letter outlining the terms of that plan.
  - o While on a payment plan, you must pay the current balance and the payment arrangement monthly installment amount by the due date to avoid disconnection.
  - o If you receive a disconnection notice with the words "Disconnects Resuming" in red in the upper left-hand corner of the notice, you have until the final payment date listed on the notice to contact us before your service will be disconnected.
- New residential late fees are waived until December 31, 2020.

For Non-residential customers disconnections have resumed.

- If you are behind in payments, see the information below for COVID-19 payment arrangements available to avoid disconnection.
  - o While on a payment plan, you must pay the current balance and the payment arrangement monthly installment amount by the due date to avoid disconnection.
  - o If you receive a disconnection notice with the words "Disconnects Resuming" in red in the upper left-hand corner of the notice, you have until the final payment date listed on the notice to contact us before your service will be disconnected.
- New late fees will be assessed starting December 1, 2020.

- New payment arrangements are available for all customers who are behind on payments. New special COVID-19 payment arrangements allow you to pay the past-due amount in your choice of 6-month or 12-month installments. Each month, pay your current bill amount and the agreed-to monthly installment amount to keep your account in good standing until you have paid off the past-due balance. Signing up for these extended payment arrangements couldn't be easier. If you receive a disconnection notice you may be eligible for a payment arrangement. Visit [my.lge-ku.com](http://my.lge-ku.com) or use our automated phone system to sign up.

### Additional Help for Residential Customers

- [Low Income agencies](#) are available for those that need assistance.
- [LIHEAP Heating Assistance Funds are now available](#). LIHEAP is a federally funded program to assist low-income households by offering seasonal financial assistance.
- [Team Kentucky Funds](#) can help provide utility bill assistance or other basic resources to qualified applicants who lost employment or had their income reduced by COVID-19. [Contact your Community Action Agency](#) for more information.

### Other ways we can help

- We are all spending more time at home than usual so here are some [energy saving tips](#) that may help lower your energy use.
- Providing a variety of ways for customers to [manage and pay their bills](#).
- Encouraging customers to keep paying what they're able to avoid accumulating a [large bill](#) balance over time.
- Offering customers an opportunity to pay all or a portion of a utility bill for a [local business, non-profit organization](#), or [loved one](#) through [Home Utility Gift \(HUG\) Certificates](#).

### Business Office Changes

#### Health protocols have been put in place inside our Customer Service Centers for walk-in customer transactions.

Because we care about you, we are:

- Complying with CDC guidelines and governors' recommendations.
- Encouraging practice of social distancing.
- Using protective workstation barriers.
- Washing our hands frequently.
- Providing hand sanitizer stations.
- Enhancing our cleaning, sanitizing and disinfecting.
- Requiring employees to wear face coverings when appropriate.

#### Offices with a drive-through window

Drive-through windows are still open for customer transactions. Our representatives are taking extra precautions, like sanitizing their hands and surfaces.

We continue to encourage customers to conduct business with us online or by phone whenever possible.

#### Offices without a drive-through window

Customers can also continue to use the Payment Drop Boxes as a touch-free way to [leave payments](#).

**NOTE:** Business office hours vary by location. Please check with your local office for their hours of operation.

[KU Business Office Locations](#)

»

### Additional Help for Business Customers

- The federal [Paycheck Protection Program](#) - part of the Coronavirus Aid, Relief and Economic Security, or CARES Act - helps small businesses make payroll, pay rent **and cover utilities** during the COVID-19 pandemic. Many businesses may already be approved for these funds, so remember that they can be used to pay your utilities.
- More programs like this may soon be available, so please keep checking for other [local city, state](#) and national programs to assist your business during this crisis.
- Many businesses in our community have [dosed](#) and their employees have been impacted. We're [stepping up](#) and joining forces with others by donating to COVID-19 community response funds to help those impacted by the virus.

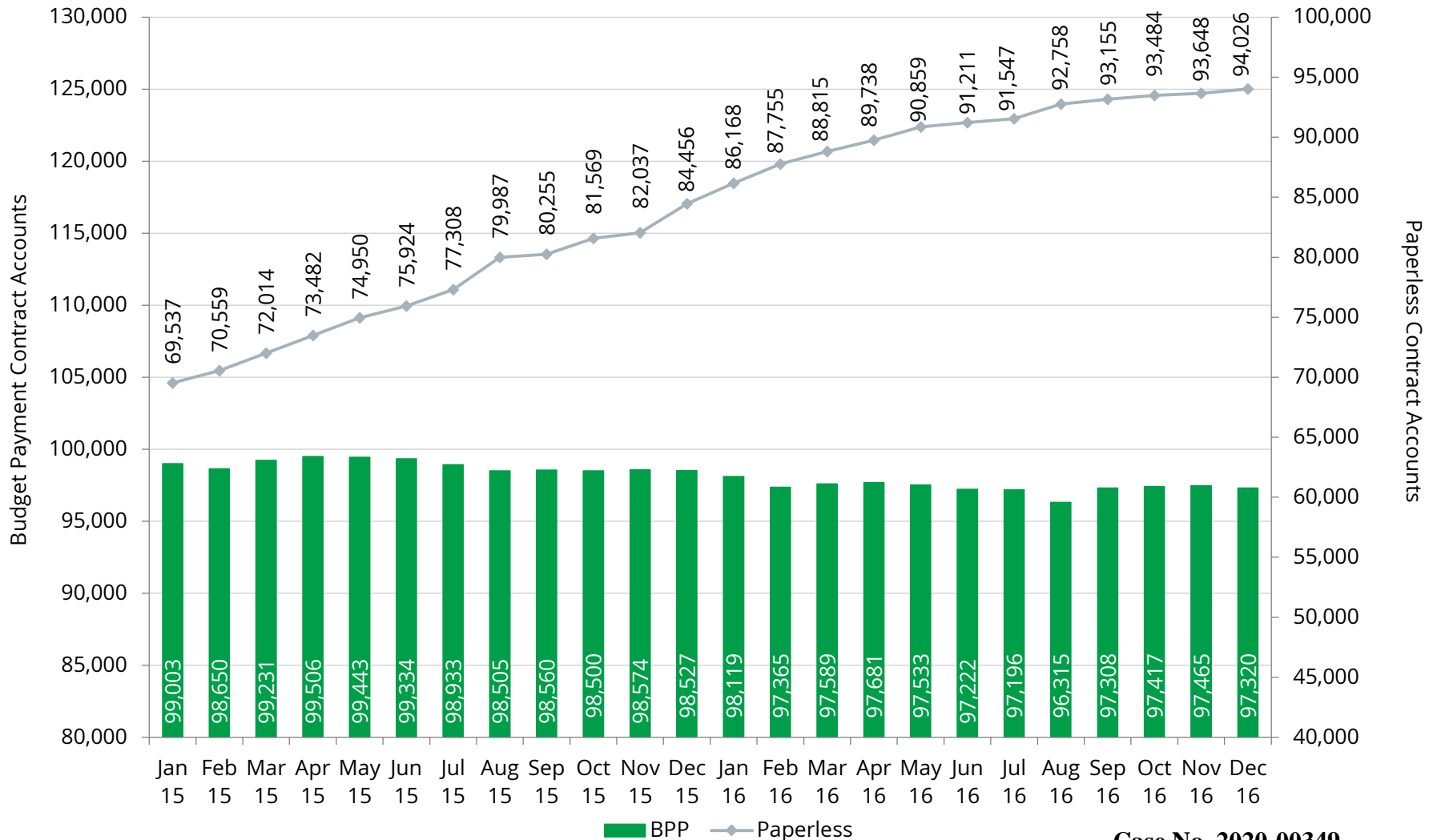
[LG&E and KU Foundation teams up for COVID-19 relief in Lexington.](#)

A \$5,000 donation to the [Western Kentucky Alliance for a Vibrant Economy's \(WAVE\)](#) business relief fund.

# Budget Payment Plan Customers 2016-2020



# 2016 Number of Budget (BPP) and Paperless Billing Accounts



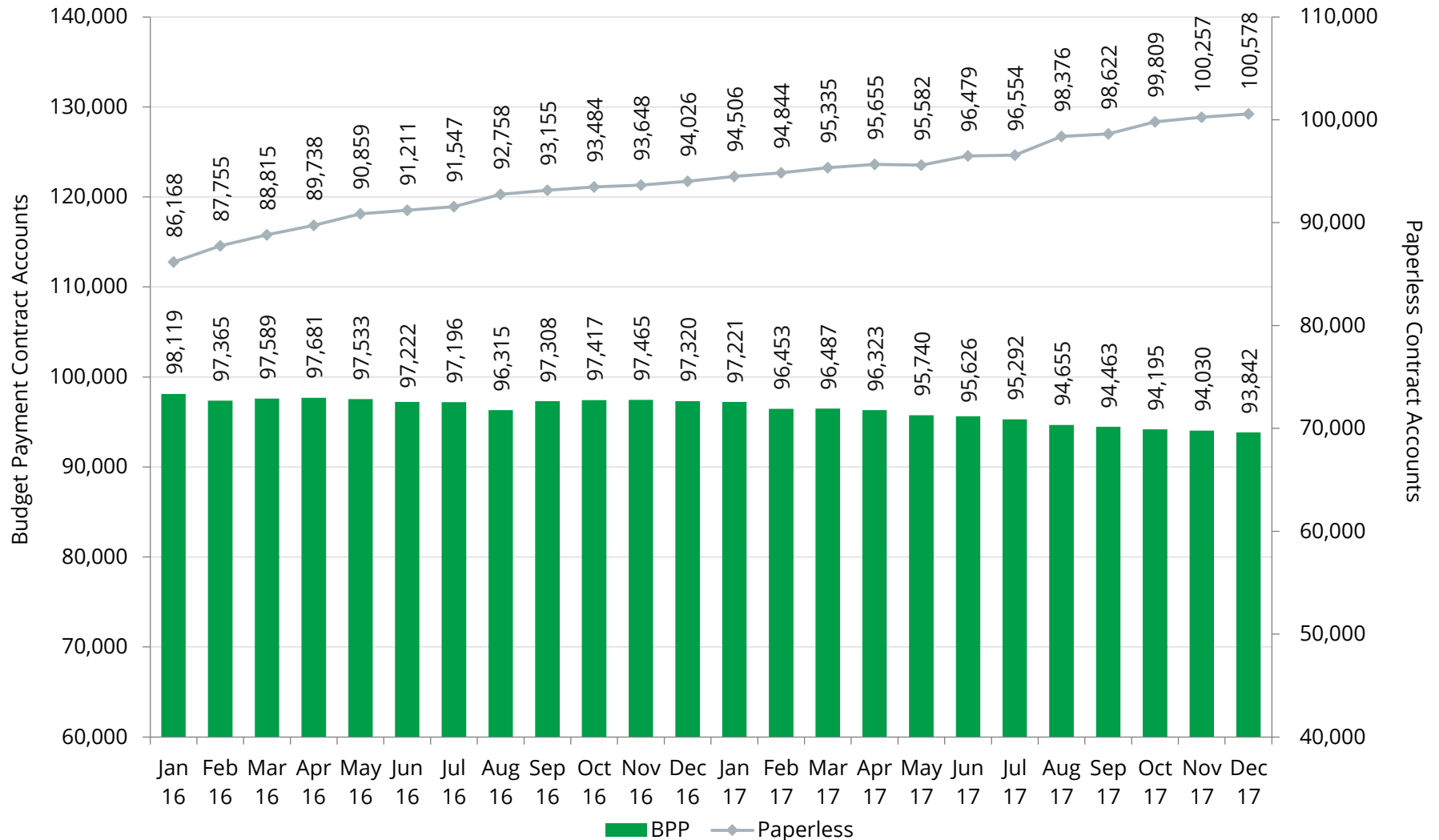
Case No. 2020-00349

Attachment 3 to Response to SC-2 Question No. 4(d)

Page 2 of 15

Saunders

# 2017 Number of Budget (BPP) and Paperless Billing Accounts



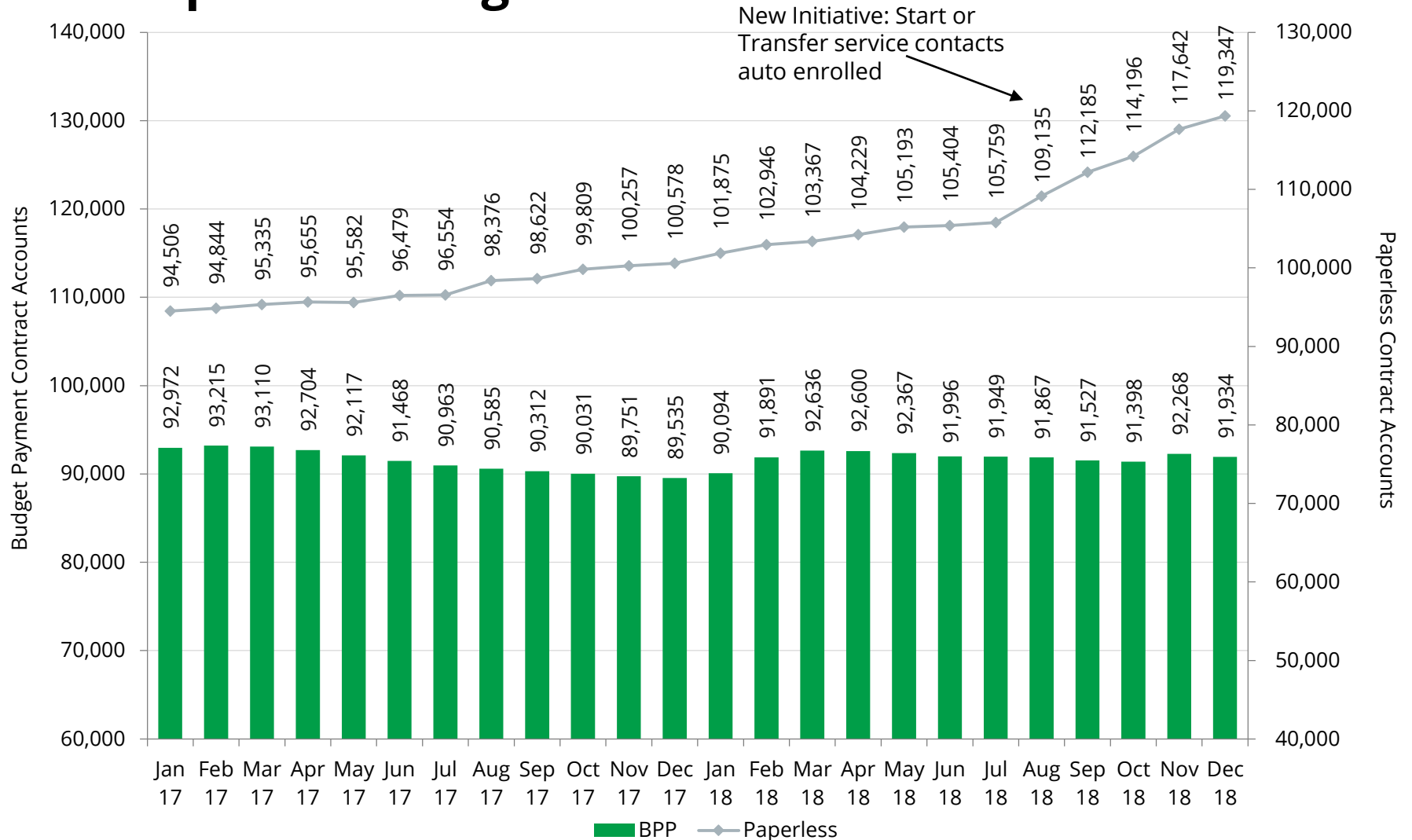
Case No. 2020-00349

Attachment 3 to Response to SC-2 Question No. 4(d)

Page 3 of 15

Saunders

# 2018 Number of Budget (BPP) and Paperless Billing Accounts



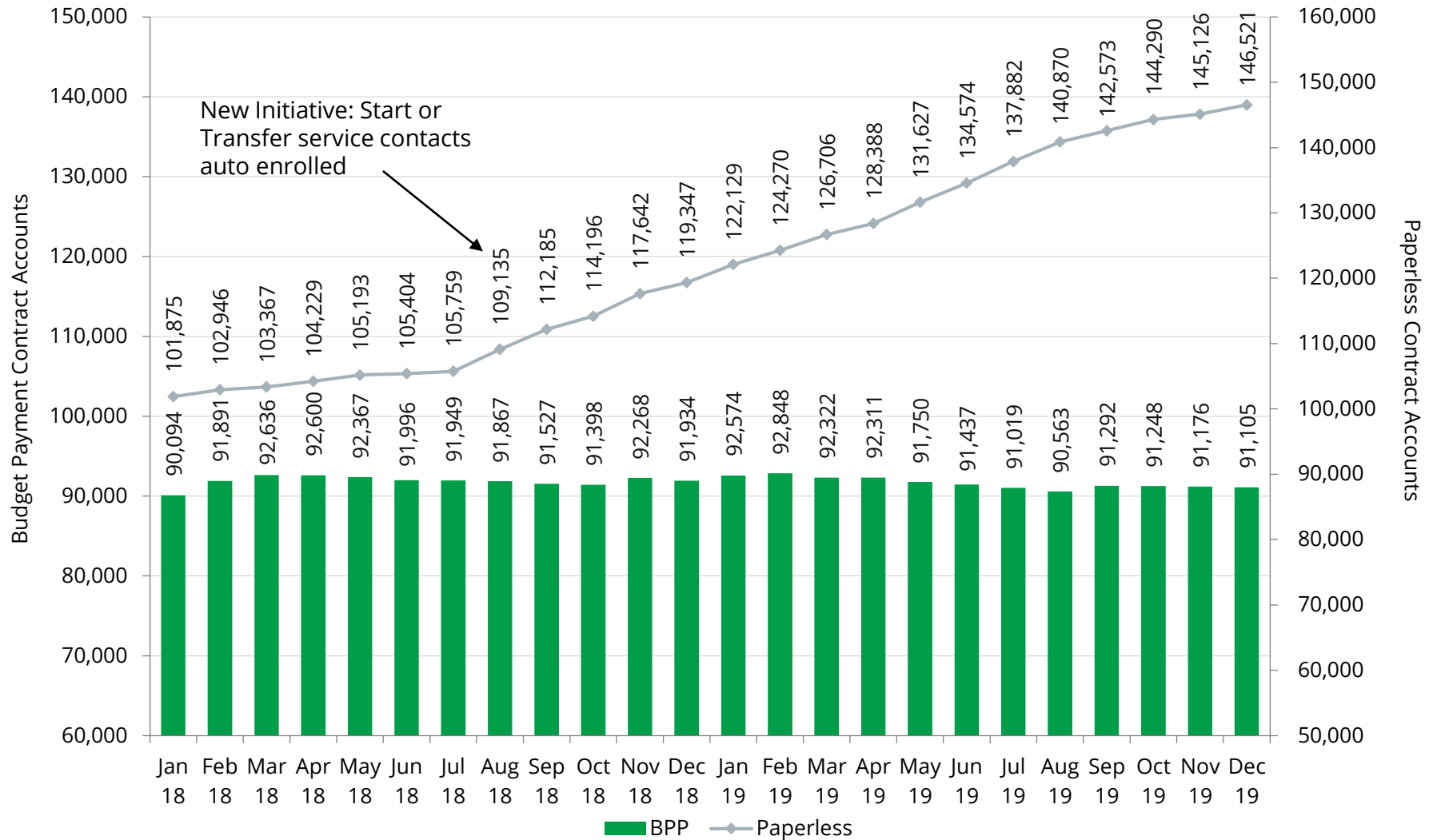
Case No. 2020-00349

Attachment 3 to Response to SC-2 Question No. 4(d)

Page 4 of 15

Saunders

# 2019 Number of Budget (BPP) and Paperless Billing Accounts



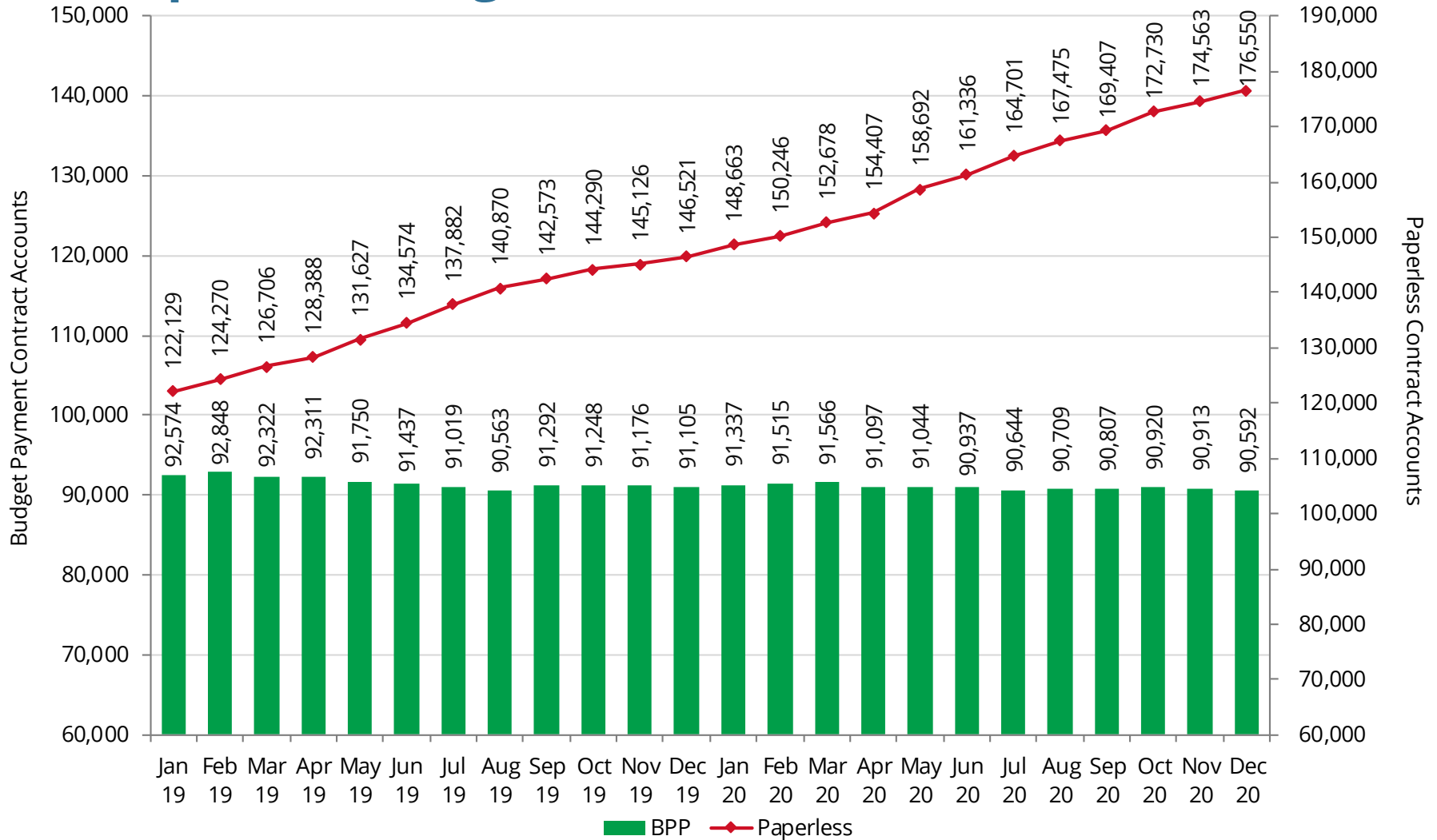
Case No. 2020-00349

Attachment 3 to Response to SC-2 Question No. 4(d)

Page 5 of 15

Saunders

# 2020 Number of Budget (BPP) and Paperless Billing Accounts



Case No. 2020-00349

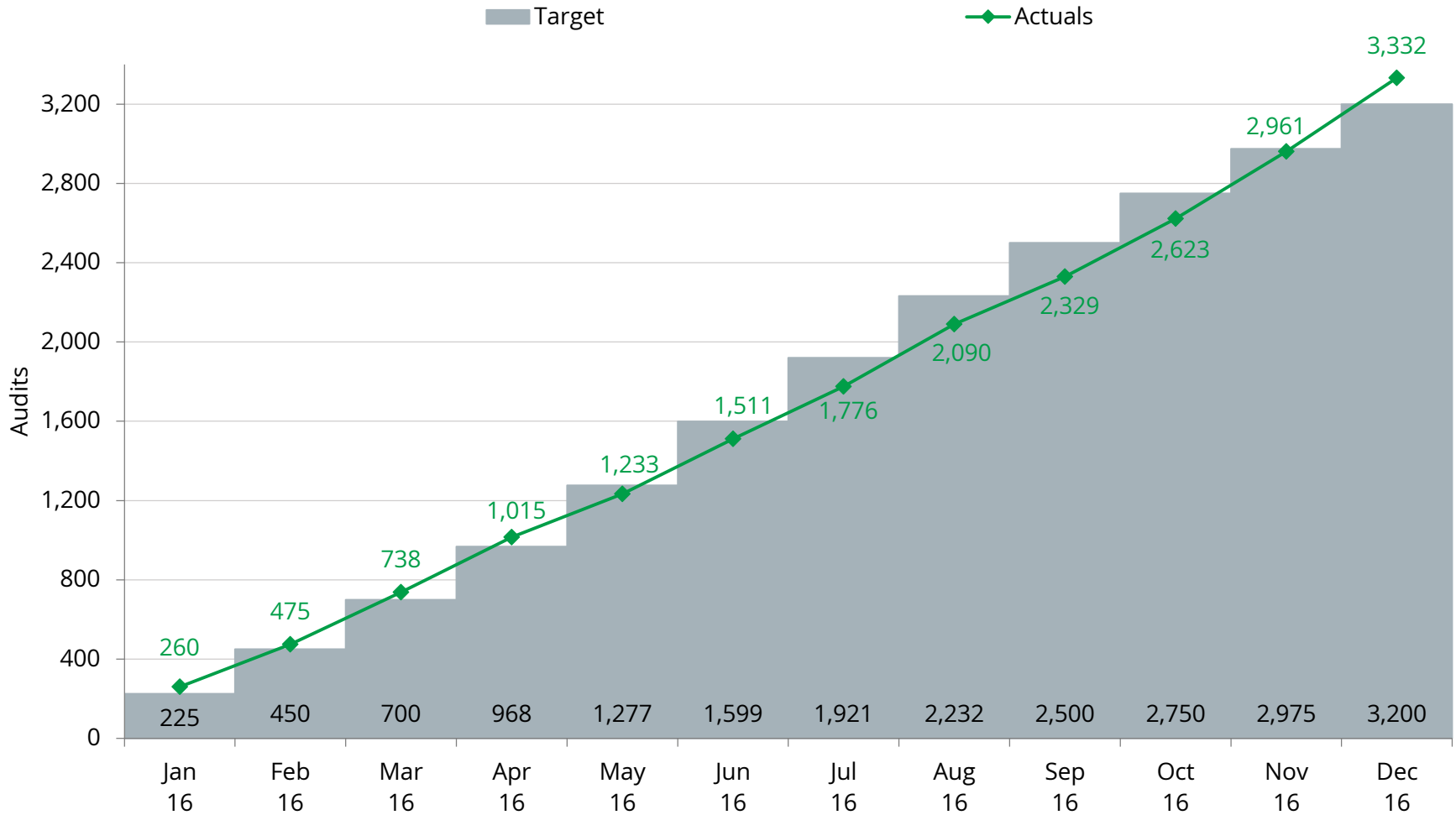
Attachment 3 to Response to SC-2 Question No. 4(d)



# WeCare Audits 2016-2020



# 2016 WeCare Audits (cumulative)



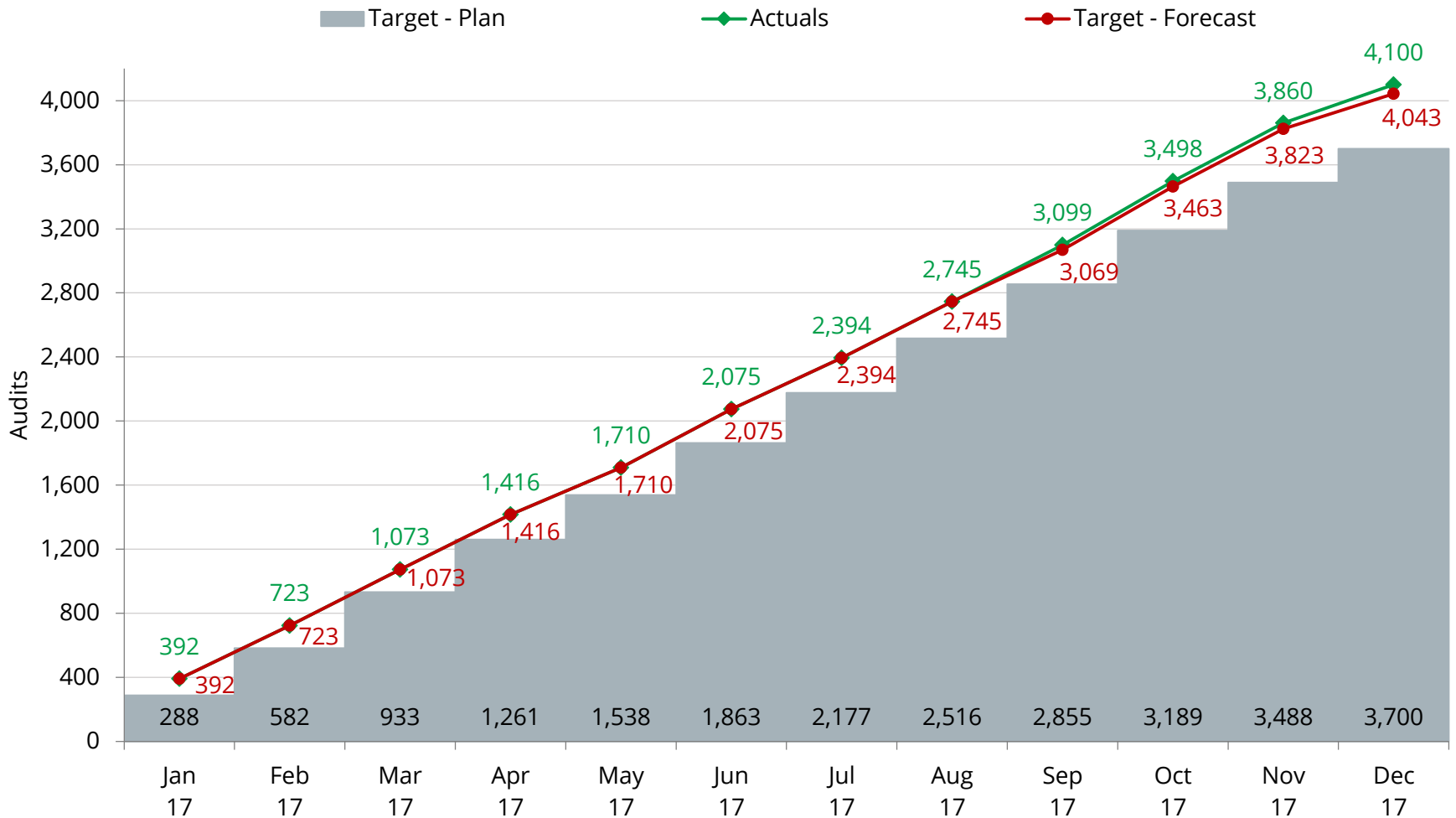
Case No. 2020-00349

Attachment 3 to Response to SC-2 Question No. 4(d)

Page 8 of 15

Saunders

# 2017 WeCare Audits (cumulative)



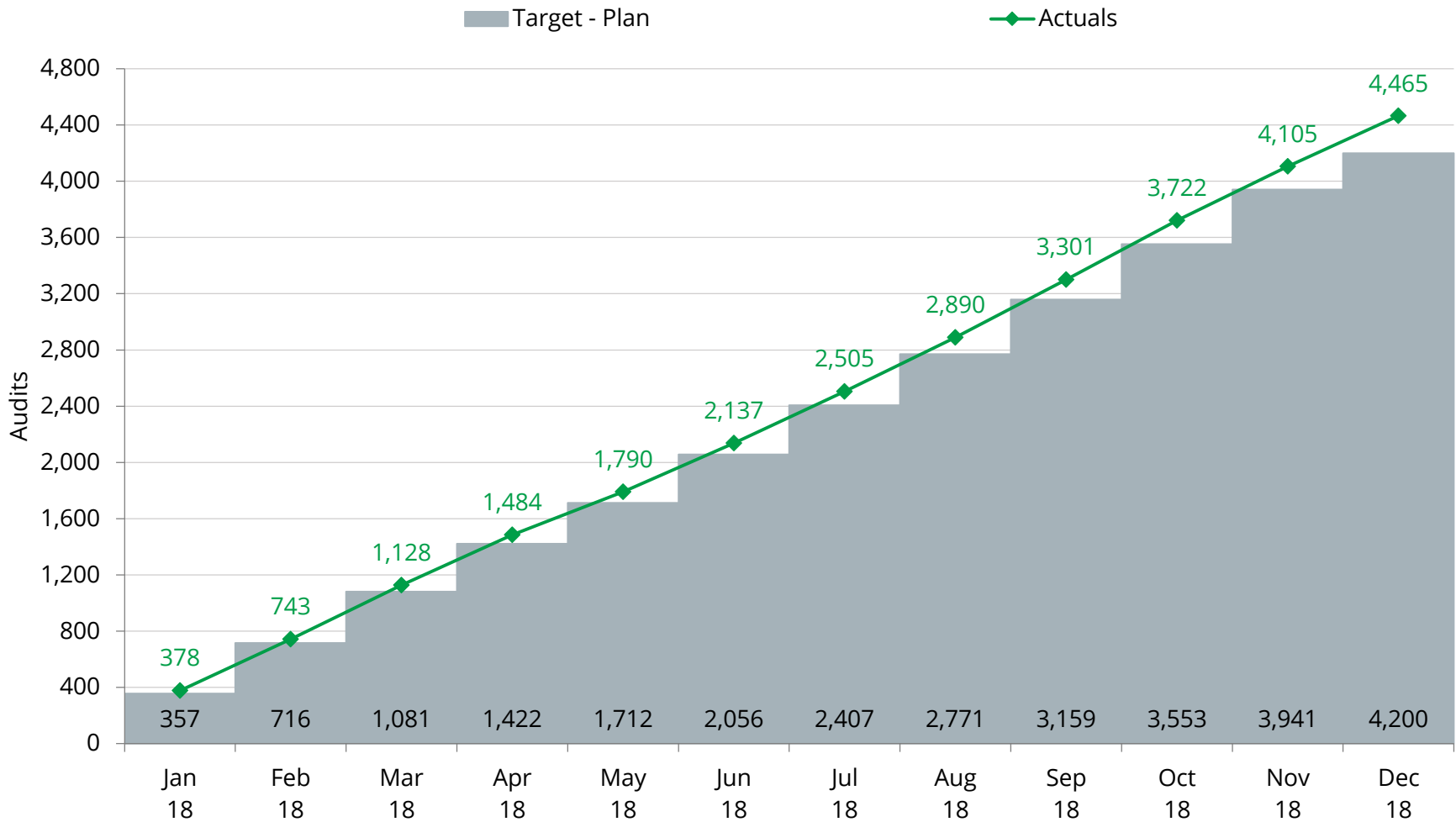
Case No. 2020-00349

Attachment 3 to Response to SC-2 Question No. 4(d)

Page 9 of 15

Saunders

# 2018 WeCare Audits *(cumulative)*



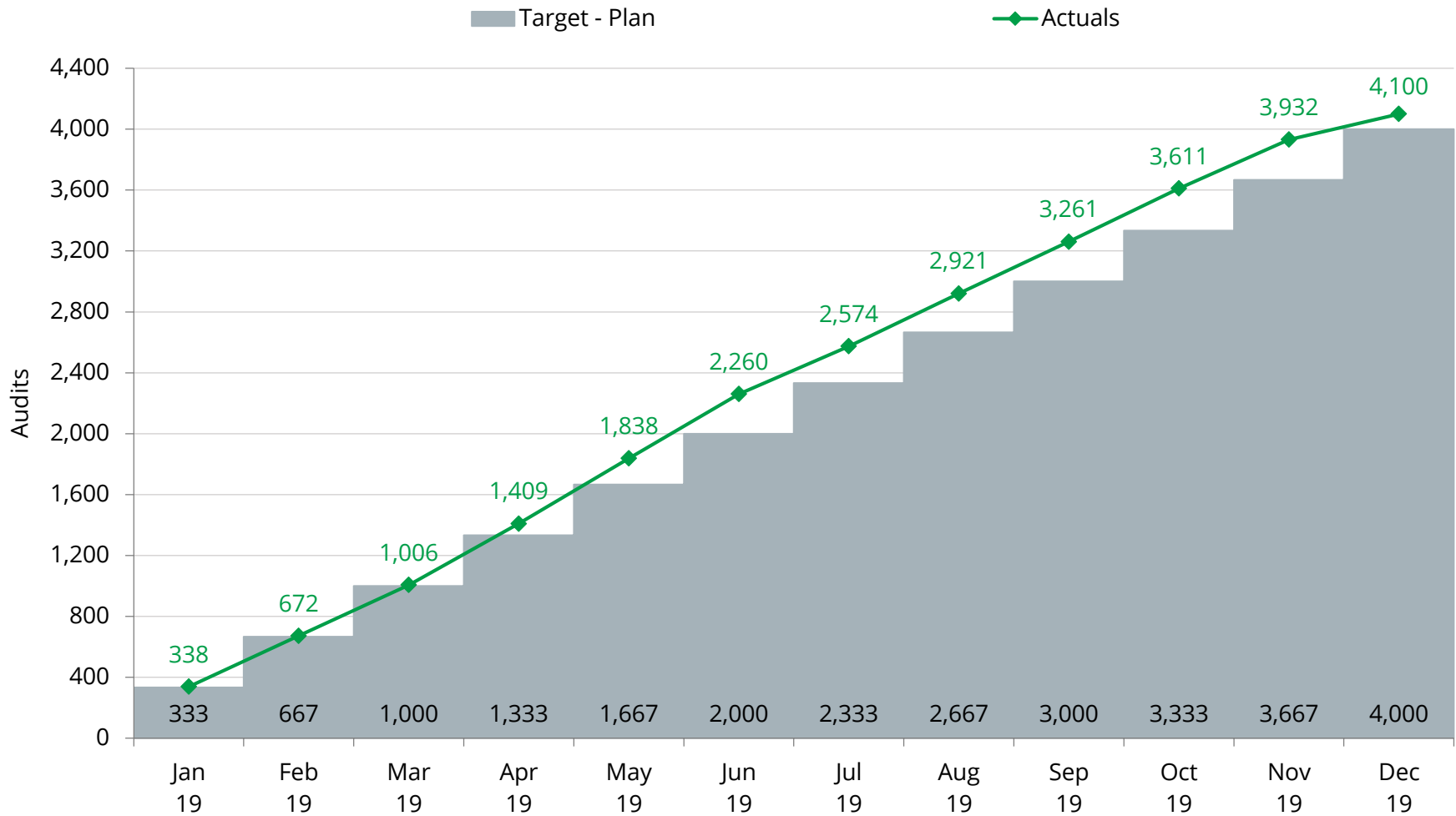
Case No. 2020-00349

Attachment 3 to Response to SC-2 Question No. 4(d)

Page 10 of 15

Saunders

# 2019 WeCare Audits (cumulative)



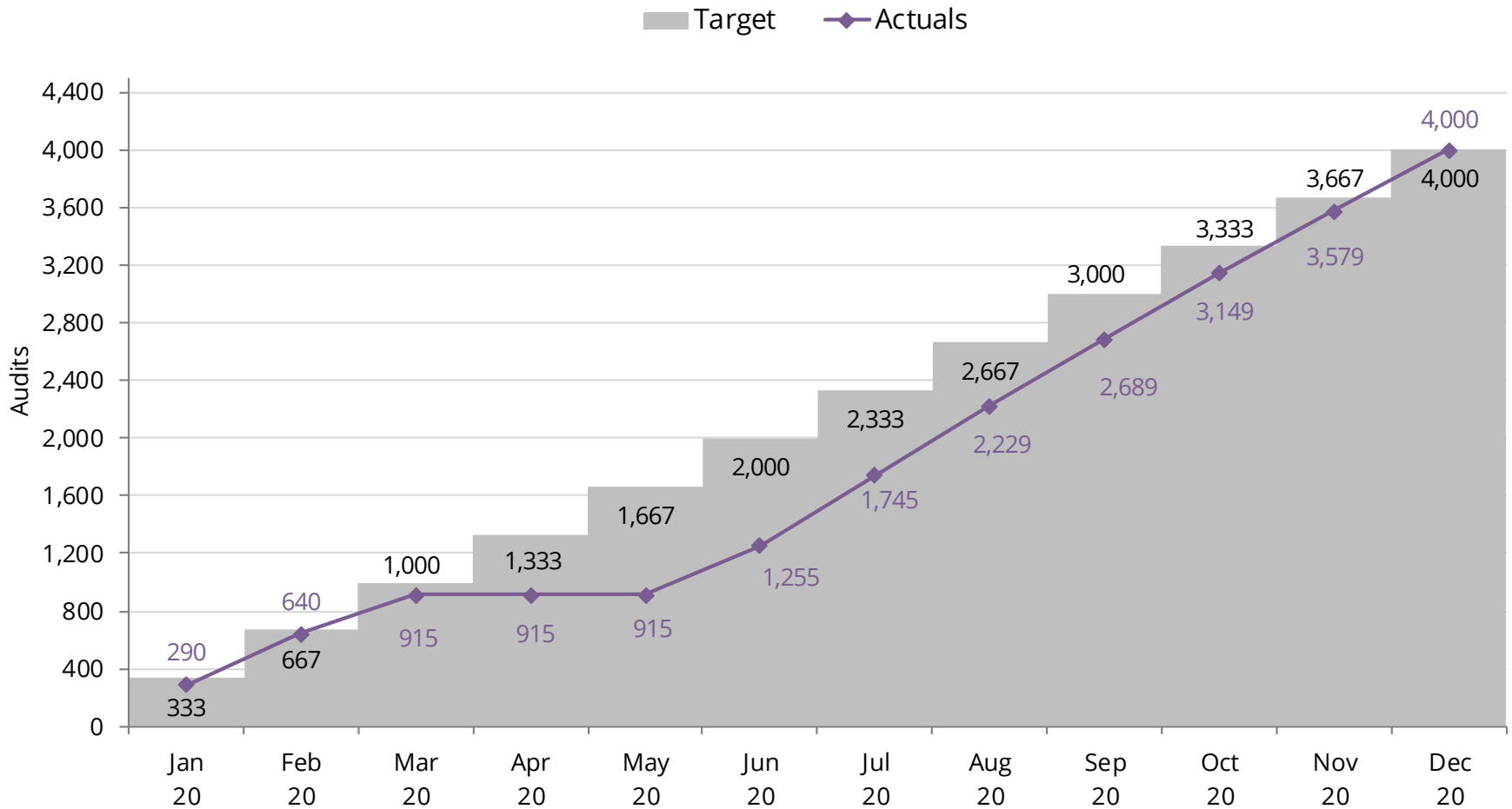
Case No. 2020-00349

Attachment 3 to Response to SC-2 Question No. 4(d)

Page 11 of 15

Saunders

# 2020 WeCare Audits (cumulative)



Case No. 2020-00349

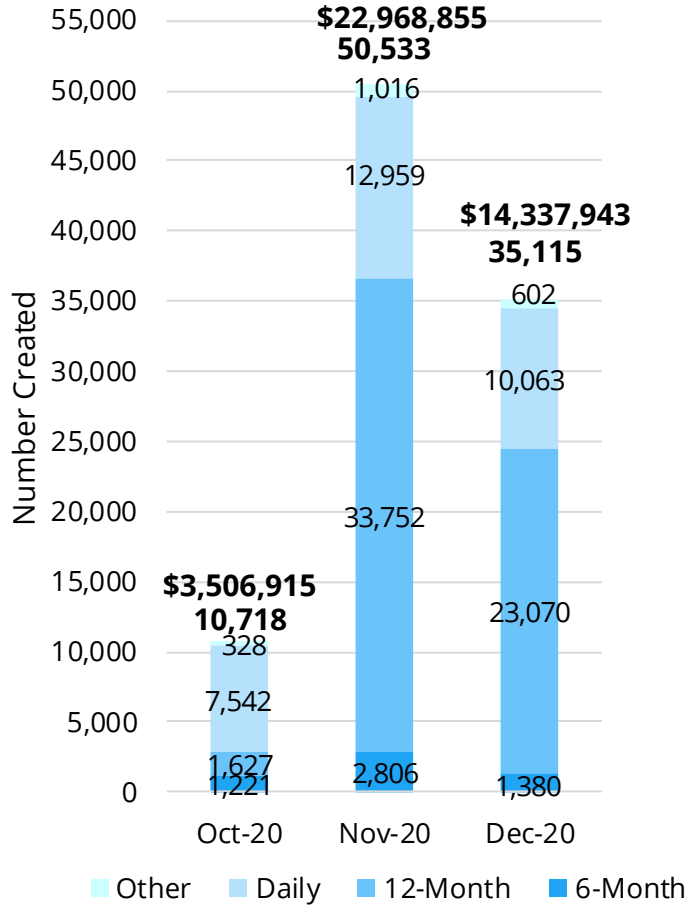
Attachment 3 to Response to SC-2 Question No. 4(d)

Note: Program suspended in mid-March as result of the COVID-19 pandemic and restarted Page 12 of 16

# COVID Year-End Report

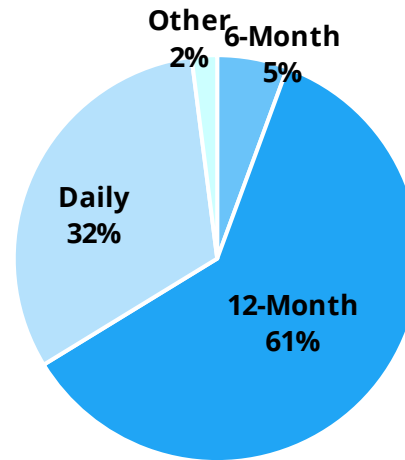


# Kentucky Payment Arrangements

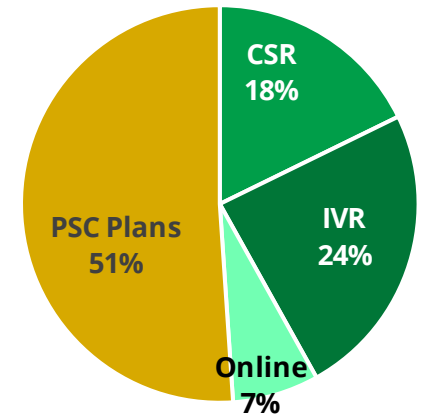


	Cumulative	Total Arrangements	Defaulted Arrangements	Defaulted %
Number		96,366	9,670	10%
Dollars		\$40,813,713	\$3,282,153	8%

Arrangements by Type



Channel Utilization



Case No. 2020-00349

Attachment 3 to Response to SC-2 Question No. 4(d)

Note: LG&E/KU began offering monthly payment arrangements on 10/15.

Note: "Daily" represents traditional time extensions up to 16 days.

Note: "Defaulted" includes arrangements defaulted due to nonpayment (not due to move out or other account activity).

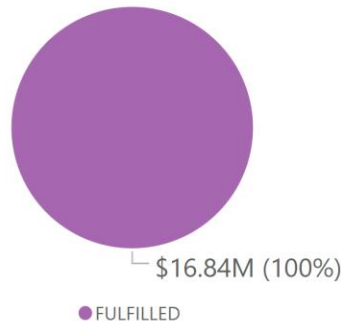


# Outstanding Pledges

## Month End Fulfilled/Outstanding Pledges 2019 vs. 2020

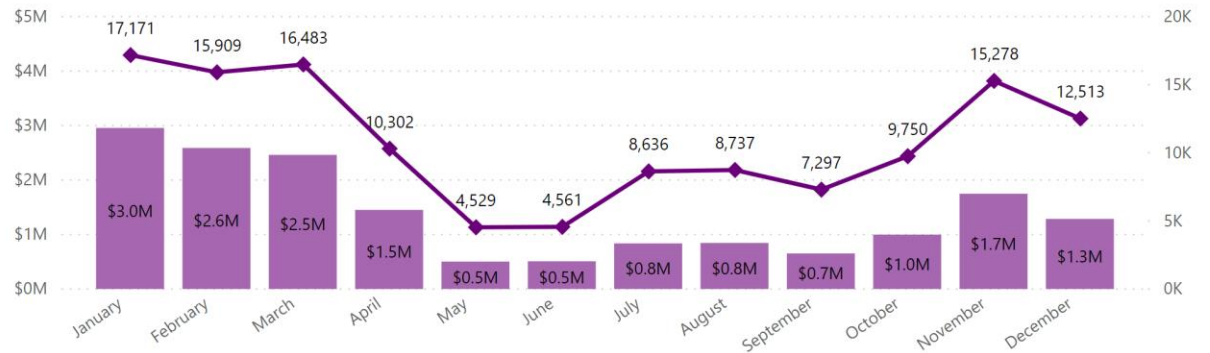
2019 Year End Pledge Dollars

- KU
- LG&E
- ODP



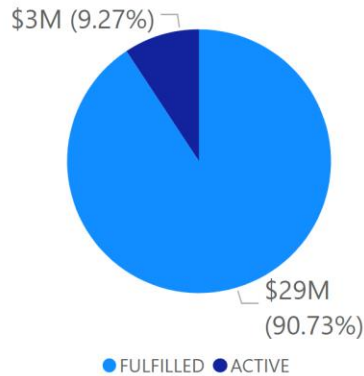
2019 Pledges Paid and #CA's

- Pledge Paid
- ◆ # CA's



2020 YTD Pledge Dollars

- G...
- KU
- LG&E
- ODP



2020 Pledges Paid and #CA's

- Pledge Paid
- ◆ # CA's



Case No. 2020-00349

Note: Pledges are updated after end-of-month.

Attachment 3 to Response to SC-2 Question No. 4(d)

**KENTUCKY UTILITIES COMPANY**

**Response to Sierra Club's Supplemental Data Requests  
Dated February 5, 2021**

**Case No. 2020-00349**

**Question No. 5**

**Responding Witness: Eileen L. Saunders**

- Q-5. Please identify and provide all customer demographic surveys that has been prepared about the Company's residential customers since 2016. If no such survey has been prepared since then, please identify and provide the most recent survey; or if none exist, please so state.
- A-5. See attached. The Company conducts a variety of surveys through a third-party vendor that also include demographic questions. The data provided in response to this question was provided by our customers and therefore we cannot attest to its accuracy. J.D. Power Residential Gas and Electric surveys have been excluded due to confidentiality agreements that are in place.

## SC5 – 2016-2020 WeCare Program Study (KU)

Not all demographic questions were asked from 2016 to 2020. Customers are not required to answer the demographic questions.

Source: WeCare Study Bellomy Research Portal

	Utility BY Time Periods				
	KU				
	CY 2016	CY 2017	CY 2018	CY 2019	CY 2020
<b>Rent or Own</b>					
Own	64%	63%	54%	71%	67%
Rent	36%	37%	46%	30%	33%

	Utility BY Time Periods				
	KU				
	CY 2016	CY 2017	CY 2018	CY 2019	CY 2020
<b>Dwelling Type</b>					
Apartment/Condo	12%	10%	17%	9%	9%
Duplex	8%	5%	5%	5%	4%
Single Family Home	53%	57%	59%	56%	63%
Mobile or manufactured home	27%	28%	19%	30%	24%

	Utility BY Time Periods				
	KU				
	CY 2016	CY 2017	CY 2018	CY 2019	CY 2020
<b>Including yourself, how many people are there in your household?</b>					
1	0%	0%	42%	32%	0%
2	0%	0%	24%	29%	0%
3 or 4	0%	0%	20%	22%	0%
5 or more	0%	0%	12%	15%	0%
Prefer not to answer	0%	0%	2%	1%	0%

	Utility BY Time Periods				
	KU				
	CY 2016	CY 2017	CY 2018	CY 2019	CY 2020
<b>In what range does your age fall?</b>					
Under 18	0%	0%	0%	0%	0%
18 to 34	0%	0%	7%	8%	0%
35 to 44	0%	0%	13%	14%	0%
45 to 54	0%	0%	17%	8%	0%
55 to 64	0%	0%	26%	36%	0%
65 or older	0%	0%	35%	32%	0%
Prefer not to answer	0%	0%	2%	1%	0%

## SC5 – 2016-2020 Residential Email Study (KU)

Not all demographic questions were asked from 2016 to 2020. Customers are not required to answer the demographic questions.

Source: Residential Email Study Bellomy Research Portal

	Utility BY Time periods				
	KU				
	CY 2016	CY 2017	CY 2018	CY 2019	CY 2020
<b>Last grade or level of schooling completed</b>					
1st through 8th grade	0%	0%	0%	0%	0%
Some high school	1%	1%	2%	2%	0%
High school graduate or equivalent	14%	13%	16%	16%	0%
Some college or technical school	26%	24%	26%	24%	0%
College graduate	30%	30%	30%	30%	0%
Graduate/post-graduate school	22%	25%	18%	21%	0%
No schooling	0%	0%	0%	0%	0%
Prefer not to answer	4%	3%	2%	4%	0%

	Utility BY Time periods				
	KU				
	CY 2016	CY 2017	CY 2018	CY 2019	CY 2020
<b>In what range does your age fall</b>					
Under 18	0%	0%	0%	0%	0%
18 to 34	19%	23%	25%	26%	0%
35 to 44	14%	18%	16%	16%	0%
45 to 54	20%	21%	18%	19%	0%
55 to 64	22%	17%	19%	16%	0%
65 or over	17%	15%	14%	16%	0%
Prefer not to answer	4%	2%	4%	3%	0%

	Utility BY Time periods				
	KU				
	CY 2016	CY 2017	CY 2018	CY 2019	CY 2020
<b>Which of the following best describes your ethnic group?</b>					
White or Caucasian	82%	81%	77%	80%	0%
Asian	2%	2%	2%	3%	0%
African American	3%	4%	6%	3%	0%
American Indian	0%	0%	1%	1%	0%
Hispanic/Latino	1%	1%	1%	3%	0%
Mixed	2%	1%	1%	2%	0%
Other	0%	0%	0%	0%	0%
Prefer not to answer	7%	5%	8%	5%	0%

	Utility BY Time periods				
	KU				
	CY 2016	CY 2017	CY 2018	CY 2019	CY 2020
<b>In what range does your total household income before taxes fall?</b>					
Under \$10,000	2%	6%	4%	4%	0%
\$10,000 to \$20,000	9%	9%	9%	10%	0%
Over \$20,000 to \$30,000	10%	10%	10%	8%	0%
Over \$30,000 to \$40,000	8%	10%	10%	7%	0%
Over \$40,000 to \$50,000	10%	7%	11%	10%	0%
Over \$50,000 to \$75,000	13%	13%	12%	15%	0%
Over \$75,000 to \$100,000	8%	9%	9%	8%	0%
Over \$100,000 to \$150,000	8%	10%	8%	8%	0%
Over \$150,000 to \$200,000	2%	3%	2%	2%	0%
Over \$200,000	2%	3%	1%	2%	0%
Prefer not to answer	21%	17%	18%	22%	0%

	Utility BY Time periods				
	KU				
	CY 2016	CY 2017	CY 2018	CY 2019	CY 2020
<b>Gender</b>					
Male	37%	34%	32%	35%	0%
Female	52%	57%	58%	56%	0%
Prefer not to answer	4%	4%	4%	5%	0%

## SC5 – 2016-2020 Residential Phone Study (KU)

Not all demographic questions were asked from 2016 to 2020. Customers are not required to answer the demographic questions.

Source: Residential Phone Study Bellomy Research Portal

	Utility BY Time periods				
	KU				
	CY 2016	CY 2017	CY 2018	CY 2019	CY 2020
<b>Last grade or level of schooling completed</b>					
1st through 8th grade	3%	2%	2%	3%	0%
Some high school	7%	7%	6%	9%	0%
High school graduate or equivalent	26%	28%	29%	32%	0%
Some college or technical school	29%	26%	24%	23%	0%
College graduate	18%	17%	20%	21%	0%
Graduate/post-graduate school	10%	10%	11%	8%	0%
No schooling	0%	0%	0%	0%	0%
Prefer not to answer	7%	9%	8%	6%	0%

	Utility BY Time periods				
	KU				
	CY 2016	CY 2017	CY 2018	CY 2019	CY 2020
<b>In what range does your age fall</b>					
Under 18	0%	0%	0%	0%	0%
18 to 34	34%	38%	43%	32%	0%
35 to 44	17%	16%	15%	16%	0%
45 to 54	17%	16%	13%	17%	0%
55 to 64	14%	12%	11%	14%	0%
65 or over	11%	10%	10%	17%	0%
Prefer not to answer	7%	8%	8%	5%	0%

	Utility BY Time periods				
	KU				
	CY 2016	CY 2017	CY 2018	CY 2019	CY 2020
<b>Which of the following best describes your ethnic group?</b>					
White or Caucasian	75%	72%	73%	75%	0%
Asian	1%	1%	1%	1%	0%
African American	8%	10%	9%	9%	0%
American Indian	1%	1%	1%	1%	0%
Hispanic/Latino	2%	2%	3%	3%	0%
Mixed	2%	3%	3%	4%	0%
Other	0%	0%	0%	1%	0%
Prefer not to answer	10%	11%	11%	8%	0%

	Utility BY Time periods				
	KU				
	CY 2016	CY 2017	CY 2018	CY 2019	CY 2020
<b>In what range does your total household income before taxes fall?</b>					
Under \$10,000	19%	17%	13%	18%	0%
\$10,000 to \$20,000	14%	14%	13%	15%	0%
Over \$20,000 to \$30,000	12%	11%	11%	12%	0%
Over \$30,000 to \$40,000	9%	8%	9%	11%	0%
Over \$40,000 to \$50,000	5%	6%	7%	6%	0%
Over \$50,000 to \$75,000	8%	8%	10%	7%	0%
Over \$75,000 to \$100,000	5%	5%	6%	6%	0%
Over \$100,000 to \$150,000	3%	4%	4%	3%	0%
Over \$150,000 to \$200,000	1%	1%	2%	1%	0%
Over \$200,000	1%	1%	1%	1%	0%
Prefer not to answer	23%	26%	25%	21%	0%

	Utility BY Time periods				
	KU				
	CY 2016	CY 2017	CY 2018	CY 2019	CY 2020
<b>Gender</b>					
Male	41%	43%	46%	43%	0%
Female	60%	57%	55%	57%	0%

## SC5 – 2016-2020 Business Office Study (KU)

Not all demographic questions were asked from 2016 to 2020. Customers are not required to answer the demographic questions.

Source: Business Office Study Bellomy Research Portal

	Utility BY Time periods				
	KU				
	CY 2016	CY 2017	CY 2018	CY 2019	CY 2020
<b>In what range does your age fall?</b>					
Under 18	0%	0%	0%	0%	0%
18 to 34	28%	28%	26%	25%	25%
35 to 44	18%	17%	16%	15%	15%
45 to 54	19%	18%	18%	17%	18%
55 to 64	15%	17%	18%	19%	19%
65 or over	13%	14%	15%	18%	20%
Prefer not to answer	7%	6%	7%	5%	3%

	Utility BY Time periods				
	KU				
	CY 2016	CY 2017	CY 2018	CY 2019	CY 2020
<b>Last grade or level of schooling completed</b>					
1st through 8th grade	4%	4%	4%	5%	0%
Some high school	10%	13%	11%	11%	0%
High school graduate or equivalent	36%	36%	37%	34%	0%
Some college or technical school	27%	26%	23%	26%	0%
College graduate	13%	12%	13%	14%	0%
Graduate/post-graduate school	3%	3%	4%	5%	0%
No schooling	0%	0%	0%	0%	0%
Prefer not to answer	7%	7%	8%	5%	0%

	Utility BY Time periods				
	KU				
	CY 2016	CY 2017	CY 2018	CY 2019	CY 2020
<b>Which of the following best describes your ethnic group?</b>					
White or Caucasian	73%	72%	71%	71%	0%
Asian	1%	0%	0%	0%	0%
African American	12%	12%	12%	13%	0%
American Indian	1%	1%	1%	1%	0%
Hispanic/Latino	2%	2%	2%	2%	0%
Mixed	3%	3%	3%	3%	0%
Other	0%	0%	0%	1%	0%
Prefer not to answer	9%	9%	10%	9%	0%



	Utility BY Time periods				
	KU				
	CY 2016	CY 2017	CY 2018	CY 2019	CY 2020
<b>In what range does your total household income before taxes fall?</b>					
Under \$10,000	23%	23%	19%	24%	0%
\$10,000 to \$20,000	20%	21%	19%	19%	0%
Over \$20,000 to \$30,000	12%	11%	11%	12%	0%
Over \$30,000 to \$40,000	6%	8%	8%	9%	0%
Over \$40,000 to \$50,000	4%	4%	4%	5%	0%
Over \$50,000 to \$75,000	6%	6%	5%	6%	0%
Over \$75,000 to \$100,000	2%	3%	3%	3%	0%
Over \$100,000 to \$150,000	1%	1%	2%	2%	0%
Over \$150,000 to \$200,000	1%	0%	1%	0%	0%
Over \$200,000	0%	0%	1%	1%	0%
Prefer not to answer	24%	24%	29%	20%	0%

	Utility BY Time periods				
	KU				
	CY 2016	CY 2017	CY 2018	CY 2019	CY 2020
<b>Gender</b>					
Male	39%	42%	42%	45%	0%
Female	59%	55%	56%	55%	0%
Prefer not to answer	2%	2%	2%	1%	0%

## SC5 – 2016-2020 Residential Competitive Customer Satisfaction Study (KU)

Not all demographic questions were asked from 2016 to 2020. Customers are not required to answer the demographic questions.

Source: Residential Competitive Customer Satisfaction Study Bellomy Research Portal

	Utility BY Time Periods				
	KU				
	CY 2016	CY 2017	CY 2018	CY 2019	CY 2020
<b>Which of the following groups includes your age?</b>					
Under 18	0%	0%	0%	0%	0%
18-34	10%	11%	11%	11%	13%
35-44	15%	14%	15%	15%	14%
45-54	19%	19%	21%	21%	19%
55-64	22%	22%	22%	22%	23%
65 or older	34%	35%	32%	32%	31%

	Utility BY Time Periods				
	KU				
	CY 2016	CY 2017	CY 2018	CY 2019	CY 2020
<b>Do you own or rent your home?</b>					
Own	74%	71%	71%	69%	70%
Rent	24%	27%	27%	30%	28%
Prefer not to answer	1%	1%	1%	1%	1%
Don't know	1%	1%	1%	1%	0%

	Utility BY Time Periods				
	KU				
	CY 2016	CY 2017	CY 2018	CY 2019	CY 2020
<b>Gender</b>					
Male	39%	38%	37%	31%	34%
Female	61%	62%	63%	69%	66%
Prefer not to answer	0%	0%	0%	0%	0%

	Utility BY Time Periods				
	KU				
	CY 2016	CY 2017	CY 2018	CY 2019	CY 2020
<b>Including yourself, how many people are there in your household?</b>					
Mean	2.41	2.43	2.44	2.52	2.41

	Utility BY Time Periods				
	KU				
	CY 2016	CY 2017	CY 2018	CY 2019	CY 2020
<b>Current employment situation</b>					
Working full-time (30 hours or more per week)	40%	34%	36%	35%	35%
Working part-time (less than 30 hours per week)	6%	5%	7%	8%	7%
Unemployed	9%	11%	8%	8%	10%
Stay at home parent or caregiver	5%	7%	8%	9%	9%
Student	1%	1%	1%	1%	1%
Retired	37%	39%	37%	37%	37%
Prefer not to answer	3%	3%	3%	3%	3%

	Utility BY Time Periods				
	KU				
	CY 2016	CY 2017	CY 2018	CY 2019	CY 2020
<b>Household income range</b>					
Under \$10,000	9%	9%	9%	9%	9%
\$10,000 - \$20,000	13%	14%	14%	14%	13%
Over \$20,000 - \$30,000	13%	13%	13%	13%	14%
Over \$30,000 - \$40,000	11%	11%	11%	10%	10%
Over \$40,000 - \$50,000	9%	9%	10%	9%	9%
Over \$50,000 - \$75,000	12%	13%	14%	15%	15%
Over \$75,000 - \$100,000	9%	8%	9%	10%	10%
Over \$100,000	0%	0%	0%	0%	0%
Over \$100,000 - \$150,000	6%	6%	6%	7%	9%
Over \$150,000 - \$200,000	2%	1%	1%	2%	2%
Over \$200,000	1%	1%	1%	1%	2%
Prefer not to answer	15%	14%	13%	10%	9%

	Utility BY Time Periods				
	KU				
	CY 2016	CY 2017	CY 2018	CY 2019	CY 2020
<b>Which of the following best describes your ethnic group?</b>					
White or Caucasian	83%	85%	84%	88%	88%
Asian	1%	1%	1%	1%	1%
African American	7%	7%	7%	6%	5%
American-Indian	1%	1%	1%	1%	1%
Hispanic	1%	1%	1%	1%	1%
Mixed	2%	2%	2%	1%	2%
Other	0%	0%	0%	0%	0%
Prefer not to answer	6%	4%	5%	3%	2%

**KENTUCKY UTILITIES COMPANY**

**Response to Sierra Club's Supplemental Data Requests**

**Dated February 5, 2021**

**Case No. 2020-00349**

**Question No. 6**

**Responding Witness: Daniel K. Arbough / Christopher M. Garrett**

- Q-6. Refer to Attachment to Filing Requirement, Tab 59 - 807 KAR 5:001 Sec. 16(8)(f), Garrett Page 8 of 10.
- a. Please describe in detail which specific legal matters are reflected in the base period and forecasted test period expenses for "Legal Fees," including by itemizing per legal matter the amount of fees reflected in each period.
  - b. Please confirm whether the Company has included in its base period or forecasted test period for this rate case a request for any legal fees and expenses incurred in connection with its defense of *Kentucky Waterways Alliance v. Kentucky Utilities*, Civil Action No. 5: 17-292-DCR (E.D. Ky.), or the appeal thereof to the U.S. Court of Appeals for the Sixth Circuit.
    - i. If so, please describe in detail the amount of expenses sought in each period and produce records documenting the amount of those expenses.
    - ii. If not, explain why not, and also confirm whether/when such fees and expenses have previously been sought or recovered, or will in some future proceeding be sought or recovered, by the Company.
- A-6.
- a. The table below shows the categories of outside counsel legal fees that make up KU's legal fees shown in the Attachment to Filing Requirement, Table 59 - 807 KAR 5:001 Section 16(8)(f), page 8 of 10:

Amounts in thousands of dollars

	Base Year	Test Year
Litigation	\$1,108	\$528
Regulatory	1,273	1,155
Environmental	1,355	2,013
Employment	82	171
Real Estate	41	84
Corporate	82	76
Other	164	209
Total Outside Counsel - KU	<u>\$4,105</u>	<u>\$4,234</u>

- b. The Company has included in its request for recovery outside counsel legal fees incurred in connection with its defense of *Kentucky Waterways Alliance v. Kentucky Utilities*. These fees will be incurred defending the operation of the Company’s coal-fired generation used to provide service to customers and should be recovered.

Actual outside counsel expenses incurred for this matter for the months March 2020 through December 2020 total [REDACTED]. For the months January 2021 to February 2021 the Company has forecasted spend of [REDACTED]. For the forecasted test period, the Company estimated in its business plan that outside counsel legal fees for this matter for six months of the period (July 2021 through December 2021) will total [REDACTED]. The Company cannot provide the expenses for the remaining six months of the forecasted test period as it has not estimated the legal expenses by matter in 2022.

**KENTUCKY UTILITIES COMPANY**

**Response to Sierra Club's Supplemental Data Requests  
Dated February 5, 2021**

**Case No. 2020-00349**

**Question No. 7**

**Responding Witness: Daniel K. Arbough / Christopher M. Garrett**

- Q-7. Please explain whether the Company seeks recovery in this case, has sought or will seek recover in any other proceeding before this Commission, the expenses of any contract(s) with Ramboll US Corporation.
- a. If so, please identify in which cases those recoveries were sought, or will be sought, and describe in detail the amount of expenses for which the Company may have sought recovery and the purposes of those expenses. Produce all records documenting any such expenses.
  - b. If not, explain why not.
- A-7. KU does not have expenses included in the test year for Ramboll US Corporation and has not sought recovery in prior cases.
- a. Not applicable.
  - b. Legal contingencies associated with the services Ramboll US Corporation provides KU are booked as they are known, and therefore not budgeted.