

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

**In the Matter of:**

<b>ELECTRONIC APPLICATION OF LOUISVILLE</b>	<b>)</b>	
<b>GAS AND ELECTRIC COMPANY FOR</b>	<b>)</b>	<b>CASE NO.</b>
<b>APPROVAL OF REVISED GAS LINE TRACKER</b>	<b>)</b>	<b>2021-00091</b>
<b>RATES EFFECTIVE FOR SERVICES</b>	<b>)</b>	
<b>RENDERED ON AND AFTER MAY 1, 2021</b>	<b>)</b>	

**RESPONSE OF**  
**LOUISVILLE GAS AND ELECTRIC COMPANY**  
**TO**  
**COMMISSION STAFF'S FIRST REQUEST FOR INFORMATION**  
**DATED APRIL 8, 2021**

**FILED: APRIL 19, 2021**

**VERIFICATION**

**COMMONWEALTH OF KENTUCKY** )  
 )  
**COUNTY OF JEFFERSON** )

The undersigned, **Andrea M. Fackler**, being duly sworn, deposes and says that she is Manager - Revenue Requirement/Cost of Service for 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.

*Andrea M. Fackler*

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**Andrea M. Fackler**

Subscribed and sworn to before me, a Notary Public in and before said County and State, this 14<sup>th</sup> day of April 2021.

*Judy Scholer*

\_\_\_\_\_  
Notary Public

Notary Public ID No. 003967

My Commission Expires:

July 11, 2022



**LOUISVILLE GAS AND ELECTRIC COMPANY**

**Response to Commission Staff's First Request for Information  
Dated April 8, 2021**

**Case No. 2021-00091**

**Question No. 1**

**Witness: Andrea M. Fackler**

Q-1. Refer to the Application, Exhibits 1–4. Provide an electronic version of these spreadsheets in Excel spreadsheet format with all formulas, row, and columns unprotected and fully accessible.

A-1. See attachment being provided in Excel format.

Attachment  
Provided Separately  
in Excel format

**LOUISVILLE GAS AND ELECTRIC COMPANY**

**Response to Commission Staff's First Request for Information  
Dated April 8, 2021**

**Case No. 2021-00091**

**Question No. 2**

**Witness: Tom C. Rieth**

- Q-2. For each completed distribution project for which LG&E has recovered or is recovering its costs through its Gas Line Tracker (GLT) rates provide:
- a. The date of completion;
  - b. The total number of mains, service lines, or risers that were replaced;
  - c. The approximate number of miles of pipe associated with the completion;
  - d. The final cost of the project; and
  - e. A comparison of LG&E's projected cost and the final actual cost.
- A-2. In Case No. 2012-00222, LG&E estimated an investment of \$112.8 million for the Gas Service Riser replacement program between 2013 and ending in 2017 to replace an estimated 213,000 gas service risers. LG&E completed the program in 2017 and has replaced approximately 193,600 gas risers with expenditures of \$102.3 million. There are no known targeted gas service risers left to replace.

In Case No. 2015-00360, LG&E estimated an investment of \$7.6 million for pro-active replacement of the Aldyl-A plastic mains and associated service lines in 2016 and 2017. This project was substantially completed in 2017 (minor surface restoration in 2018) for \$5.0 million. There are no additional Aldyl-A mains left to be replaced in this program at the end of 2020. A total of 47,550 ft of main and 732 services were retired, and 47,400 ft and 653 services were installed.

In Case No. 2012-00222, LG&E estimated an investment of \$101.3 million for the main replacement program (distribution targeting cast iron, wrought iron and bare steel) between 2012 and ending in 2016 with actual investment during that time of \$103.4 million. In Case No. 2016-00383, the estimate to complete the main replacement project was updated to an investment of \$130.7 million with the increase largely driven by increased final restoration costs from what was originally anticipated. LG&E completed the replacement or retirement of the targeted distribution mains in 2017 and surface restoration in 2019 with an investment of \$118.0 million between 2012 and 2019. The lower actual investment

versus the estimate in Case No. 2016-00383 was due to lower actual restoration costs. There are no additional targeted mains in this program to be replaced. This project installed approximately 107 miles of main, replaced approximately 9,600 company services and 9,266 customer services, and retired approximately 93 miles of main since the beginning of 2013.

**LOUISVILLE GAS AND ELECTRIC COMPANY**

**Response to Commission Staff's First Request for Information  
Dated April 8, 2021**

**Case No. 2021-00091**

**Question No. 3**

**Witness: Tom C. Rieth**

- Q-3. Confirm the Transmission Pipeline Modernization Program (TMP) has been completed and provide:
- a. The date of completion;
  - b. The approximate number of miles of pipe associated with the completion;
  - c. The final cost of the project; and
  - d. A comparison of LG&E's projected cost and the final actual cost.
- A-3. The Transmission Modernization Program ("TMP") is not yet complete. See the response to Question No. 4 for further details.



**LOUISVILLE GAS AND ELECTRIC COMPANY**

**Response to Commission Staff's First Request for Information**  
**Dated April 8, 2021**

**Case No. 2021-00091**

**Question No. 4**

**Witness: Tom C. Rieth**

Q-4. If Item 3 cannot be confirmed, provide:

- a. An estimated date of completion;
- b. Estimated costs of completion;
- c. Estimated number of miles of pipe associated with completion; and
- d. A comparison of LG&E's original projected cost with its current projected cost of completion.

A-4.

- a. Work on the TMP is expected to be completed by June 2022. Pipe replacements on this project are expected to be complete by the end of 2021 with restoration work carrying over through June 2022. As proposed in Case No. 2020-00350, recovery of TMP costs will continue in the GLT mechanism through June 30, 2021. Upon approval of that case, all costs for the TMP will be eliminated from the GLT mechanism and only recovered through base rates beginning July 1, 2021.
- b. Total costs from inception to completion are expected to be approximately \$153.3 million.
- c. Approximately 15.5 miles of pipe will be replaced on this project by installing approximately 15 miles of pipeline. Through March 2021, approximately 9.4 miles of pipe have been installed and 3.1 miles of pipe have been placed into service.
- d. In Case No. 2016-00371, LG&E projected the TMP project would be completed between 2017-2019 with an estimated investment of \$60.0 million. The estimate was updated to approximately \$82.1 million in Cases Nos. 2018-00057 and 2018-00295 with anticipated construction substantially complete by the end of 2019 except for clean-up activities in 2020. The estimate was updated to \$102.1 million in Case No. 2020-00032. The Company's current estimate for the TMP project is \$153.3 million,

which is consistent with the current LG&E base rate proceeding, Case No. 2020-00350. See METRO 1-107(c) in that proceeding for additional information.

The major factors in the increase from the estimates of \$60.0 million to \$82.1 million were increased contract labor costs (approx. \$14 million) and increased material costs (approx. \$4 million). Major factors in the increase from \$82.1 million to \$153.3 million were increased contract labor costs (approx. \$49.7 million) driven largely by the quantity and hardness of rock to be removed, tree clearing costs, and right-of-way (“ROW”) congestion requiring more costly methods of construction; increased company labor, engineering, survey, and inspection costs (approx. \$6.5 million) driven by increased project duration; and increased ROW acquisition costs (approx. \$3.4 million).

**LOUISVILLE GAS AND ELECTRIC COMPANY**

**Response to Commission Staff's First Request for Information  
Dated April 8, 2021**

**Case No. 2021-00091**

**Question No. 5**

**Witness: Tom C. Rieth**

- Q-5. For the Steel Service Replacement Program approved in Case No. 2016- 00371,<sup>2</sup> provide:
- a. The number of steel service lines, county loops, and steel curbed services replaced to date;
  - b. The number of steel service lines, county loops, and steel curbed services remaining to be replaced;
  - c. The total cost of the project to date;
  - d. The estimated total cost of completion; and
  - e. A comparison of LG&E's original projected cost with its current projected cost of completion.
- A-5. a. The Steel Service Replacement Program approved in Case No. 2016-00371 has completed 8,418 gas service orders and 3,394 steel curbed service orders as of December 31, 2020. Of the 8,418 orders, 6,370 were service replacements, 1,172 were replacements of plastic to steel risers, 800 were service material verifications, and 75 were services that were removed. Of the 3,394 curbed service orders completed, 722 were verifications of instances where the curbed service had already been removed and 149 were high pressure curbed service removals. The project has also removed 176 county loops.
- b. As of the end of 2020, there were an estimated 34,500 steel services to replace or verify in the system, and 135 steel curbed services. All known county loop services have been replaced.

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<sup>2</sup> Case No. 2016-00371, Electronic Application of Louisville Gas and Electric Company for an Adjustment of its Electric and Gas Rates and for Certificates of Public Convenience and Necessity, (Ky. PSC June 22, 2017).

- c. The Company estimated an investment of \$29.1 million through the first 3 years of the program (through 2020) with actuals estimated to be \$30.3 million.
- d. In Case No. 2016-00371, LG&E projected the Steel Service Replacement program would be completed over 15 years with the removal of all steel curbed services and county loops in the first 3 years of the program, at an estimated total cost over the 15-year life of the project of \$101 million. Based on service costs to date, project costs are not anticipated to be significantly different from those estimated in Case No. 2016-0371 for the balance of the project after completing the curbed services. The overall estimate to finish the program has not been changed since Case No. 2016-00371.
- e. See the response to part d.

**LOUISVILLE GAS AND ELECTRIC COMPANY**

**Response to Commission Staff's First Request for Information  
Dated April 8, 2021**

**Case No. 2021-00091**

**Question No. 6**

**Witness: Tom C. Rieth**

- Q-6. For the Customer Service Line Replacement project approved in Case No. 2012-00222,<sup>3</sup> provide:
- a. The number of service lines replaced to date;
  - b. The costs to date associated with the program; and
  - c. The estimated number of customer-owned service lines still to be replaced.
- A-6. a. The Customer Service Line Replacement project approved in Case No. 2012-00222 has replaced 7,400 services since 2013.
- b. In Case No. 2012-00222, LG&E estimated an investment of \$34.0 million for Customer Service Line Ownership (including replacements and new installation) from 2013 - 2017. LG&E's actual investment between 2013 and 2017 was \$29.3 million. In Case No. 2016-00371, LG&E estimated an investment of \$13.3 million for Customer Service Line Ownership (including replacements and new installation) between 2018 and 2019, with an actual investment of \$15.1 million. In Case No. 2018-00295, LG&E estimated an investment of \$7.5 million for Customer Service Line Ownership (including replacements and new installation) for 2020, with an actual investment \$7.4 million.
  - c. LG&E estimates there are 258,500 services that are still under customer ownership (services that LG&E has not replaced or repaired since 2013).

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<sup>3</sup> Case No. 2012-00222, Application of Louisville Gas and Electric Company for an Adjustment of its Electric and Gas Rates, a Certificate of Public Convenience and Necessity, Approval of Ownership of Gas Service Lines and Risers and a Gas Line Surcharge, (Ky. PSC Dec. 20, 2012).

**LOUISVILLE GAS AND ELECTRIC COMPANY**

**Response to Commission Staff's First Request for Information  
Dated April 8, 2021**

**Case No. 2021-00091**

**Question No. 7**

**Witness: Tom C. Rieth**

- Q-7. State whether LG&E intends to continue the Customer Service Line Replacement project approved in Case No. 2012-00222 as only a reactive project, or plans to include a systematic replacement of customer-owned service lines in addition to the reactive replacement of service lines in the future.
- A-7. The Customer Service Line projects are associated with LG&E taking responsibility for the customer service lines beginning in 2013 as such service lines fail or work is performed on the service lines. In Case No. 2012-00222, LG&E did not project a targeted number of services or timeframe for this project as it is a reactive project. As explained in the testimony of Lonnie E. Bellar in that proceeding, LG&E will not assume ownership of or responsibility for a customer's service line until LG&E has repaired or replaced the line or installed a new service.

There is no planned systematic replacement under Customer Service Line projects. The Steel Customer Service Line replacement program will continue to proactively replace steel customer service lines, but this is the only planned proactive service replacement project.

**LOUISVILLE GAS AND ELECTRIC COMPANY**

**Response to Commission Staff's First Request for Information  
Dated April 8, 2021**

**Case No. 2021-00091**

**Question No. 8**

**Witness: Tom C. Rieth**

- Q-8. If LG&E intends to continue the Customer Service Line Replacement project as a reactive project only, state the reason a more systematic approach is not being considered as well.
- A-8. The remaining approximately 34,500 steel customer service lines are being replaced either proactively through the Steel Customer Service line program or reactively through the Customer Service Line Replacement. As explained in the Bellar Testimony in Case No. 2012-00222, the company will not assume ownership of or responsibility for a customer's service line until LG&E has repaired or replaced the line or LG&E installs a new service line. In that proceeding, the response to PSC 3-27 clarifies that the Company would take ownership and going forward responsibility if the service is newly installed or replaced and would assume responsibility if repaired. The Bellar Testimony in Case No. 2016-00371 explains the reason for proactively replacing the steel customer services is because over time they are prone to deterioration from corrosion. The remaining Customer Service lines that LG&E has not taken ownership of are plastic, which do not corrode and there is not a safety, reliability or regulatory driver to replace these in a systematic fashion, but instead repair or replace them as needed.

**LOUISVILLE GAS AND ELECTRIC COMPANY**

**Response to Commission Staff's First Request for Information**  
**Dated April 8, 2021**

**Case No. 2021-00091**

**Question No. 9**

**Witness: Andrea M. Fackler**

- Q-9. Refer to the Application, Exhibit 4, pages 4–16 of 18. Page 4 of 18 is a summary of forecasted monthly capital and operating costs for 2021. On pages 5–16 of 18, column 6 contains monthly additions of plant. The Mains-Transmission Capex information listed on line 2 of page 4 of 18 does not match the information contained in the monthly forecasts in column 6 on pages 5–14 of 18.
- a. Provide an explanation, reconciliation, and updated Exhibit 4 with the correct information.
  - b. Provide the details and support for the proposed Mains Transmission figure listed on line 2, column 6, pages 5–16 of 18.
  - c. Refer to pages 5–16 of 18. Provide an analysis of the Retirements, Total Plant, and Cost of Removal for each month.
- A-9.
- a. The Mains-Transmission Capex information listed in line 2 on page 4 of 18 should not match the information contained in the monthly forecasts in column 6 on pages 5 - 16 of 18. In application Exhibit 4, page 4 of 18, the forecasted amounts shown for the Main-Transmission Capex on line 2 are the total monthly forecasted capital expenditures for all approved projects. The forecasted amounts shown on Exhibit 4, pages 5-16 of 18, column 6 include only plant placed into service since these schedules are used to determine book depreciation expense.
  - b. See attached. For January through September 2021 (shown on pages 5 - 13 of 18), the Additions amount is derived by summing the forecasted capital expenditures for the respective month for the TMP Penile to Preston and Preston to Piccadilly projects (see the “Capital by Month” support schedule in the attachment). Because these two TMP projects were placed in service in October 2020, capital expenditures in subsequent months are immediately placed in service and therefore flow through the book depreciation calculations when forecasted. For October 2021 (shown on page 14 of 18), the TMP Penile to Blanton project is expected to be placed in service. Therefore, the Additions amount includes not only the previous two in-service projects’ forecasted



capital spend but also the cumulative capital expenditures recorded to construction work in progress for the Penile to Blanton project. The cumulative capital expenditures for the Penile to Blanton project are derived by summing the December 2020 construction work in progress balance and the forecasted capital expenditures for January through September 2021 (see both pages of the attachment). As such, the plant in service amount is based on capital expenditures for the underlying approved project through the end of the month when the assets are expected to be placed in service. Once these assets are placed in service, any additional capital expenditures on the project in subsequent months are immediately placed in service as well. For November and December 2021 (shown on pages 15 - 16 of 18), the Additions amount is derived by summing the forecasted capital expenditures for the respective month for all three in-service TMP projects (see the "Capital by Month" support schedule in the attachment).

- c. Total Plant on Exhibit 4, pages 5 - 16 of 18, is the sum of GLT Asset Additions less Base Rate Asset Retirements. See the response to part b for information on Asset Additions. Since the GLT distribution projects have all been placed in service, all forecasted capital expenditures immediately flow through pages 5 - 16 of 18 to determine forecasted depreciation expense on the asset additions. See page 1 of the attached for the forecasted capital expenditures by GLT program and internal project code. The retirement expenditures reflect service retirements for distribution and main retirements for transmission. See page 2 of the attached for the forecasted base rate asset retirements by GLT program. Actual retirements are reflected in the true-up calculation in the subsequent year's GLT filing.

For Cost of Removal, see page 1 of the attached, which provides the monthly forecasted costs of removal by GLT program and internal project code. Since all of the GLT distribution projects and two of the TMP projects are in-service, the monthly costs of removal immediately flow to pages 5 - 16 of 18. Since the Penile to Blanton TMP project is not expected to be placed in service until later in 2021, those costs of removal are not reflected on pages 5 - 16 of 18.

Gas Line Tracker  
Capital By Month

Project	Bud Description	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	Total	In-Service or Expected In-Service Date
<b>CONSTRUCTION WORK IN PROGRESS</b>															
TMPPENBLN	TMP PENILE-BLANTON LN	1,393,654	1,393,653	1,404,718	1,404,717	1,404,715	1,400,637	2,154,633	2,154,633	2,154,633	2,148,515	2,154,633	2,154,635	21,323,776	10/31/2021
TMPPENPRS	TMP PENILE-PRESTON	515,704	515,704	515,704	515,704	515,704	512,016	107,483	107,483	107,483	107,483	107,483	107,483	3,735,434	10/31/2020
TMPPRSPIC	TMP PRESTON-PICCADILLY	1,525,984	1,525,985	1,525,985	1,525,984	1,525,984	1,521,905	2,497,859	2,497,859	2,497,859	2,491,740	2,497,859	2,497,858	24,132,861	10/31/2020
<b>REMOVAL SPEND</b>															
TMPPENBLN	TMP PENILE-BLANTON LN	11,062	11,062	0	0	0	4,079	0	0	0	6,119	0	0	32,322	10/31/2021
TMPPENPRS	TMP PENILE-PRESTON	0	0	0	0	0	3,687	0	0	0	0	0	0	3,687	10/31/2020
TMPPRSPIC	TMP PRESTON-PICCADILLY	0	0	0	0	0	4,079	0	0	0	6,119	0	0	10,198	10/31/2020

**Louisville Gas and Electric Company  
Gas Line Tracker Report  
Plant, CWIP & Depreciation Expense  
As of December, 2020**

Project	Eligible Plant In Service	Eligible Accumulated Depreciation	CWIP	Eligible Net Plant In Service	Plant Account	Depr. Rate	Monthly Depreciation Expense
TMPPENBLN-ROMANIA LAND	28,379.70				237413	0.00%	-
TMPPROP1	260,943.97				237413	0.00%	-
TMPPROP2	295,187.87				237413	0.00%	-
	<u>\$ 584,511.54</u>			<u>\$ 584,511.54</u>			<u>-</u>
TMPPENBLN	-		17,584,917.95		236720	2.05%	
TMPPENPRS	37,831,761.87				236720	2.05%	
TMPPRSPIC	38,253,440.77				236720	2.05%	
	<u>\$ 76,085,202.64</u>	<u>\$ 317,268.30</u>	<u>\$ 17,584,917.95</u>	<u>\$ 93,352,852.29</u>			<u>\$ 129,021.20</u>
	<u><u>\$ 76,669,714.18</u></u>	<u><u>\$ 317,268.30</u></u>	<u><u>\$ 17,584,917.95</u></u>	<u><u>\$ 93,937,363.83</u></u>			<u><u>\$ 129,021.20</u></u>

Gas Line Tracker  
Capital By Month

GLT Program	Row Labels	Project	Bud Description	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	Total	In-Service or Expected In-Service Date
Steel Customer Service Lines and Targeted Removal of County Loops and Steel Curbed Services																	
	INVESTMENT	414000003	REPLACE STEEL SERVICES 2021	747,621	747,621	747,621	747,621	747,621	377,080	859,650	859,650	859,650	859,650	859,650	859,651	9,273,088	Monthly as spent
Customer Service lines	INVESTMENT	CCSO419	REPL EXIST CUST SRV W RISER	206,719	219,899	216,505	208,529	233,509	225,927	210,257	235,361	235,630	235,005	214,412	194,608	2,636,361	Monthly as spent
Customer Service lines	INVESTMENT	CCSO421	REPL EXIST CS WITH RISER-MUL	4,068	2,902	2,902	2,902	4,068	2,902	(98)	4,068	2,902	2,902	3,718	2,050	35,290	Monthly as spent
Customer Service lines	INVESTMENT	CCSO4485	REPL EXIST CS & RISER-4485	7,256	7,256	7,840	7,840	7,840	7,840	5,840	7,840	7,840	7,840	7,840	7,840	90,916	Monthly as spent
Customer Service lines	INVESTMENT	CNBCS419	NB CUST SRV LINE & GAS RISER	364,600	406,114	412,873	392,832	418,040	397,896	394,751	417,257	402,794	413,116	402,820	419,911	4,843,004	Monthly as spent
Customer Service lines	INVESTMENT	CNBCS421	NB INST CUST SERV LINE & RSR	1,824	2,116	1,824	1,824	1,824	824	2,116	1,824	1,824	2,116	1,824	1,824	21,768	Monthly as spent
Customer Service lines	INVESTMENT	CNBCS4485	INST CUST SRV - MAGNOLIA	1,991	2,283	1,991	2,283	1,991	1,783	1,991	2,283	1,991	2,283	1,991	2,283	25,144	Monthly as spent
Leak Mitigation	INVESTMENT	RRCs419G	REP CO GAS SERV 419	250,456	270,501	266,592	252,480	272,445	265,486	263,144	266,449	259,936	262,848	257,773	247,056	3,135,166	Monthly as spent
Leak Mitigation	INVESTMENT	RRCs421	Serv Line Repl-Muldraugh	20,507	20,507	20,825	10,629	14,620	7,288	9,636	11,182	10,629	10,629	20,507	20,507	177,466	Monthly as spent
Transmission Modernization	INVESTMENT	TMPPENBLN	TMP PENILE-BLANTON LN	1,393,654	1,393,653	1,404,718	1,404,717	1,404,715	1,400,637	2,154,633	2,154,633	2,154,633	2,148,515	2,154,633	2,154,635	21,323,776	10/31/2021
Transmission Modernization	INVESTMENT	TMPPENPRS	TMP PENILE-PRESTON	515,704	515,704	515,704	515,704	515,704	512,016	107,483	107,483	107,483	107,483	107,483	107,483	3,735,434	10/31/2020
Transmission Modernization	INVESTMENT	TMPPRSPIC	TMP PRESTON-PICCADILLY	1,525,984	1,525,985	1,525,985	1,525,984	1,525,984	1,521,905	2,497,859	2,497,859	2,497,859	2,491,740	2,497,859	2,497,858	24,132,861	10/31/2020
Customer Service lines	ARO	CCSO421	REPL EXIST CS WITH RISER-MUL	417	417	417	417	417	417	417	417	417	417	417	417	5,000	Monthly as spent
Customer Service lines	ARO	CCSO4485	REPL EXIST CS & RISER-4485	667	667	667	667	667	667	667	667	667	667	667	667	8,000	Monthly as spent
Customer Service lines	ARO	CNBCS421	NB INST CUST SERV LINE & RSR	167	167	167	167	167	167	167	167	167	167	167	167	2,000	Monthly as spent
Leak Mitigation	ARO	RRCs419G	REP CO GAS SERV 419	0	0	0	0	0	0	0	0	0	0	0	0	0	Monthly as spent
Transmission Modernization	ARO	TMPPENBLN	TMP PENILE-BLANTON LN	11,062	11,062	0	0	0	4,079	0	0	0	0	6,119	0	32,322	10/31/2021
Transmission Modernization	ARO	TMPPENPRS	TMP PENILE-PRESTON	0	0	0	0	0	3,687	0	0	0	0	0	0	3,687	10/31/2020
Transmission Modernization	ARO	TMPPRSPIC	TMP PRESTON-PICCADILLY	0	0	0	0	0	4,079	0	0	0	0	6,119	0	10,198	10/31/2020
Leak Mitigation	REMOVAL	RRCs421	Serv Line Repl-Muldraugh	9,403	9,403	9,403	9,403	9,403	9,403	9,403	9,403	9,403	9,403	9,403	9,403	112,836	Monthly as spent
Steel Customer Service Lines and Targeted Removal of County Loops and Steel Curbed Services																	
Leak Mitigation	ARO	414000003	REPLACE STEEL SERVICES 2021	228,667	228,667	228,667	228,667	228,667	228,667	228,667	0	0	0	0	0	1,372,000	Monthly as spent
	INVESTMENT	RRCs419G	REP CO GAS SERV 419														Monthly as spent
<b>Investment Total</b>				<b>5,040,385</b>	<b>5,114,542</b>	<b>5,125,381</b>	<b>5,073,346</b>	<b>5,148,362</b>	<b>4,721,585</b>	<b>6,507,263</b>	<b>6,565,890</b>	<b>6,543,172</b>	<b>6,544,128</b>	<b>6,530,511</b>	<b>6,515,707</b>	<b>69,430,274</b>	
<b>Removal Total</b>				<b>250,382</b>	<b>250,382</b>	<b>239,320</b>	<b>239,320</b>	<b>239,320</b>	<b>251,165</b>	<b>10,653</b>	<b>10,653</b>	<b>10,653</b>	<b>22,891</b>	<b>10,653</b>	<b>10,653</b>	<b>1,546,043</b>	
<b>GLT Total</b>				<b>5,290,767</b>	<b>5,364,924</b>	<b>5,364,701</b>	<b>5,312,666</b>	<b>5,387,682</b>	<b>4,972,750</b>	<b>6,517,916</b>	<b>6,576,543</b>	<b>6,553,825</b>	<b>6,567,019</b>	<b>6,541,164</b>	<b>6,526,360</b>	<b>70,976,317</b>	

GLT  
 Retirements  
 \$'s

	January-21	February-21	March-21	April-21	May-21	June-21	July-21	August-21	September-21	October-21	November-21	December-21	Total
Transmission Mains					\$ 7,382	\$ 249,199			\$ 14,959	\$ 1,133,148			\$ 1,404,688
Steel Services/Customer Service Lines	\$ 95,813	\$ 95,813	\$ 95,813	\$ 95,813	\$ 95,813	\$ 95,813	\$ 95,813	\$ 95,813	\$ 95,813	\$ 95,813	\$ 95,813	\$ 95,813	\$ 1,149,753
Total	\$ 95,813	\$ 95,813	\$ 95,813	\$ 95,813	\$ 103,195	\$ 345,012	\$ 95,813	\$ 95,813	\$ 110,772	\$ 1,228,961	\$ 95,813	\$ 95,813	\$ 2,554,441

**LOUISVILLE GAS AND ELECTRIC COMPANY**

**Response to Commission Staff's First Request for Information  
Dated April 8, 2021**

**Case No. 2021-00091**

**Question No. 10**

**Witness: Andrea M. Fackler**

- Q-10. Refer to the Application, Exhibit 4, page 17. Reconcile the columns 2017 additions, 2018 additions, 2019 additions, and 2020 additions with Exhibit 4, page 17, from Case No. 2020-00032.<sup>4</sup>
- A-10. The amounts shown on Exhibit 4, page 17, lines 4-15, of the application in this proceeding represent the 2021 tax basis depreciation expense. The asset balances in plant in service in Line 1 do not change after the year has been trued-up with actuals in a GLT filing. However, each year the tax basis depreciation rate applied to the asset balances does change. See the footnote descriptions for (a) through (e).

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<sup>4</sup> Case No. 2020-00032, Electronic Application of Louisville Gas and Electric Company for Approval of Revised Rates to be Recovered Through its Gas Line Tracker Beginning with the First Billing Cycle for May 2020, (Ky. PSC Feb. 28, 2020).

**LOUISVILLE GAS AND ELECTRIC COMPANY**

**Response to Commission Staff's First Request for Information  
Dated April 8, 2021**

**Case No. 2021-00091**

**Question No. 11**

**Witness: Tom C. Rieth**

- Q-11. Identify generally the locations of the major main replacements that were made in 2020, the miles of line replaced, and describe how those specific locations and projects were selected and prioritized.
- A-11. For the Company's distribution Main Replacement program approved in Case No. 2012-00222, all work for this program was completed in 2019. No pipe was installed or retired in 2020 as part of this program, as all pipe replacements were completed in 2017.

**LOUISVILLE GAS AND ELECTRIC COMPANY**

**Response to Commission Staff's First Request for Information  
Dated April 8, 2021**

**Case No. 2021-00091**

**Question No. 12**

**Witness: Tom C. Rieth**

- Q-12. Identify generally the locations of the major main replacements that are going to be made in 2021, provide the proposed miles of line to be replaced, and describe how those specific locations and projects will be prioritized.
- A-12. All work for the distribution Main Replacement program approved in Case No. 2012-00222 was completed prior to 2020. See the response to Question No. 11.



**LOUISVILLE GAS AND ELECTRIC COMPANY**

**Response to Commission Staff's First Request for Information  
Dated April 8, 2021**

**Case No. 2021-00091**

**Question No. 13**

**Witness: Tom C. Rieth**

Q-13. State how many gas risers LG&E has replaced to date, and state how many riser replacements LG&E estimates remain.

A-13. See the response to Question No. 2.

**LOUISVILLE GAS AND ELECTRIC COMPANY**

**Response to Commission Staff's First Request for Information  
Dated April 8, 2021**

**Case No. 2021-00091**

**Question No. 14**

**Witness: Tom C. Rieth**

Q-14. Provide how many miles of main replacements, service line replacements, and customer service replacements LG&E projects there will be left to replace through the GLT by the end of 2021.

A-14. **Main Related projects**

There are no additional mains or services to be replaced for the Main Replacement program or Aldyl-A plastic replacement.

For the TMP projects approved in Case No. 2016-00371, the Company projects that main installations will be complete by the end of 2021. As stated in Case No. 2020-00350, recovery of TMP costs is proposed to continue through the GLT mechanism through June 30, 2021. Upon approval of that case, all costs will be eliminated from GLT and only recovered through base rates beginning July 1, 2021.

**Service Related Projects**

For the Steel Customer Service Replacement program approved in Case No. 2016-00371, see the response to Question No. 5(b) for remaining services.

For Customer Service Line replacements (Case No. 2012-00222), LG&E did not project a targeted number of services to be replaced per year. See the response to Question No. 6(c) for remaining services that are still under customer ownership.

The Service Line Replacement project replaces company services. This is reactive work to replace company services (primarily steel) when leaking or pro-actively (primarily when other work is being done involving the service line).

There are no additional targeted gas service risers to replace as part of the Gas Service Riser Replacement program.

**LOUISVILLE GAS AND ELECTRIC COMPANY**

**Response to Commission Staff's First Request for Information  
Dated April 8, 2021**

**Case No. 2021-00091**

**Question No. 15**

**Witness: Tom C. Rieth**

Q-15. Provide an analysis as to whether LG&E projects it will complete its main replacements, service line replacements, and customer service replacements according to the original schedule as approved in Case No. 2016-00371<sup>5</sup> and subsequently updated in Case No. 2018-00295,<sup>6</sup> and compare its current projections of the total cost of its GLT program as originally approved and amended.

A-15. **Main Related projects**

In Case No. 2012-00222 LG&E estimated an investment of \$101.3 million for the main replacement program (distribution targeting cast iron, wrought iron and bare steel) between 2012 and ending in 2016 with actual investment during that time of \$103.4 million. In Case No. 2016-00383, the estimate to complete the main replacement project was updated to an investment of \$130.7 million with the increase largely driven by increased final restoration costs from what was originally anticipated. LG&E completed the replacement or retirement of the targeted distribution mains in 2017 and surface restoration in 2019 with an investment of \$118.0 million between 2012 and 2019. The lower actual investment versus the estimate in Case No. 2016-00383 was due to lower actual restoration costs. There are no additional targeted mains in this program to be replaced.

In Case No. 2015-00360 LG&E estimated an investment of \$7.6 million for pro-active replacement of the Aldyl-A plastic mains and associated service lines in 2016 and 2017. This project was substantially completed in 2017 (minor surface restoration in 2018) for \$5.0 million. There are no additional Aldyl-A mains left to be replaced in this program at the end of 2021.

For the TMP projects, see the response to Question No. 4(d).

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<sup>5</sup> Case No. 2016-00371, Electronic Application of Louisville Gas and Electric Company for an Adjustment of its Electric and Gas Rates and for Certificates of Public Convenience and Necessity, (Ky. PSC June 22, 2017).

<sup>6</sup> Case No. 2018-00295, Electronic Application of Louisville Gas and Electric Company for an Adjustment of its Electric and Gas Rates, (Ky. PSC Apr. 30, 2019).

**Service Related Projects**

For the Gas Service Riser Replacement project, see the response to Question No. 2.

For the Steel Customer Service Replacement Program, see the response to Question No. 5(d).

For the Customer Service Line Ownership project, see the response to Question No. 6(b) f.

In Case No. 2012-00222, LG&E estimated an investment of \$8.4 million for Service Line Replacements from 2012 - 2016. LG&E's actual investment between 2012 and 2016 was \$8.1 million during this time period. In Case No. 2016-0371, LG&E estimated an investment of \$6.4 million for Service Line Replacements between 2017 - 2019, with an actual investment of \$8.0 million. In Case No. 2018-00295, LG&E estimated \$3.0 million for 2020, with an actual investment of \$3.8 million.