

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

ELECTRONIC TARIFF FILINGS OF)	
LOUISVILLE GAS AND ELECTRIC)	
COMPANY AND KENTUCKY UTILITIES)	
COMPANY TO REVISE PURCHASE)	
RATES FOR SMALL CAPACITY AND)	Case No. 2023-00404
LARGE CAPACITY COGENERATION)	
AND POWER PRODUCTION QUALIFYING)	
FACILITIES AND NET METERING)	
SERVICE-2 CREDIT RATES)	

INITIAL DATA REQUESTS OF THE ATTORNEY GENERAL

Comes now the Attorney General of the Commonwealth of Kentucky, by his Office of Rate Intervention (“Attorney General”), and submits these Data Requests to Louisville Gas and Electric Company and Kentucky Utilities (hereinafter “LGE/KU” or “company”) to be answered by January 25, 2024, in accord with the following:

- (1) In each case where a request seeks data provided in response to a staff request, reference to the appropriate requested item will be deemed a satisfactory response.
- (2) Identify the witness who will be prepared to answer questions concerning each request.
- (3) Repeat the question to which each response is intended to refer.
- (4) These requests shall be deemed continuing so as to require further and supplemental responses if the companies receive or generate additional information within the scope of these requests between the time of the response

and the time of any hearing conducted hereon.

(5) Each response shall be answered under oath or, for representatives of a public or private corporation or a partnership or association, be accompanied by a signed certification of the preparer or person supervising the preparation of the response on behalf of the entity that the response is true and accurate to the best of that person's knowledge, information, and belief formed after a reasonable inquiry.

(6) If you believe any request appears confusing, please request clarification directly from undersigned Counsel.

(7) To the extent that the specific document, workpaper or information as requested does not exist, but a similar document, workpaper or information does exist, provide the similar document, workpaper, or information.

(8) To the extent that any request may be answered by way of a computer printout, please identify each variable contained in the printout which would not be self-evident to a person not familiar with the printout.

(9) If the company has objections to any request on the grounds that the requested information is proprietary in nature, or for any other reason, notify undersigned Counsel as soon as possible, and in accordance with Commission direction.

(10) As used herein, the words "document" or "documents" are to be construed broadly and shall mean the original of the same (and all non-identical copies or drafts thereof) and if the original is not available, the best copy available. These terms shall include all information recorded in any written, graphic or other tangible form and shall include, without limiting the generality of the foregoing,

all reports; memoranda; books or notebooks; written or recorded statements, interviews, affidavits and depositions; all letters or correspondence; telegrams, cables and telex messages; contracts, leases, insurance policies or other agreements; warnings and caution/hazard notices or labels; mechanical and electronic recordings and all information so stored, or transcripts of such recordings; calendars, appointment books, schedules, agendas and diary entries; notes or memoranda of conversations (telephonic or otherwise), meetings or conferences; legal pleadings and transcripts of legal proceedings; maps, models, charts, diagrams, graphs and other demonstrative materials; financial statements, annual reports, balance sheets and other accounting records; quotations or offers; bulletins, newsletters, pamphlets, brochures and all other similar publications; summaries or compilations of data; deeds, titles, or other instruments of ownership; blueprints and specifications; manuals, guidelines, regulations, procedures, policies and instructional materials of any type; photographs or pictures, film, microfilm and microfiche; videotapes; articles; announcements and notices of any type; surveys, studies, evaluations, tests and all research and development (R&D) materials; newspaper clippings and press releases; time cards, employee schedules or rosters, and other payroll records; cancelled checks, invoices, bills and receipts; and writings of any kind and all other tangible things upon which any handwriting, typing, printing, drawings, representations, graphic matter, magnetic or electrical impulses, or other forms of communication are recorded or produced, including audio and video recordings, computer stored

information (whether or not in printout form), computer-readable media or other electronically maintained or transmitted information regardless of the media or format in which they are stored, and all other rough drafts, revised drafts (including all handwritten notes or other marks on the same) and copies of documents as hereinbefore defined by whatever means made.

(11) For any document withheld on the basis of privilege, state the following: date; author; addressee; indicated or blind copies; all persons to whom distributed, shown, or explained; and, the nature and legal basis for the privilege asserted.

(12) In the event any document called for has been destroyed or transferred beyond the control of the company, please state: the identity of the person by whom it was destroyed or transferred, and the person authorizing the destruction or transfer; the time, place, and method of destruction or transfer; and, the reason(s) for its destruction or transfer. If destroyed or disposed of by operation of a retention policy, state the retention policy.

(13) Provide written responses, together with any and all exhibits pertaining thereto, in one or more bound volumes, separately indexed and tabbed by each response, in compliance with Kentucky Public Service Commission Regulations.

(14) "And" and "or" should be considered to be both conjunctive and disjunctive, unless specifically stated otherwise.

(15) "Each" and "any" should be considered to be both singular and plural, unless specifically stated otherwise.

Respectfully submitted,

RUSSELL COLEMAN
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Certificate of Service and Filing

Pursuant to the Commission's Orders and in accord with all other applicable law, Counsel certifies that, on January 10, 2024, an electronic copy of the foregoing was served via the Commission's electronic filing system.

this 10th day of January, 2024

A handwritten signature in blue ink, appearing to read "J. Michael New". The signature is fluid and cursive, with a long horizontal stroke extending to the right.

Assistant Attorney General

**ELECTRONIC TARIFF FILINGS OF LOUISVILLE GAS AND ELECTRIC
COMPANY AND KENTUCKY UTILITIES COMPANY TO REVISE PURCHASE
RATES FOR SMALL CAPACITY AND LARGE CAPACITY COGENERATION AND
POWER PRODUCTION QUALIFYING FACILITIES AND NET METERING
SERVICE-2 CREDIT RATES, Case No. 2023-00404**

Data Requests

- Q1. With regard to the Companies' proposal to include a generation capacity avoided cost amount in its NMS-2 credit:
- a. Confirm that the credit is based on an assumed avoidance of generation capacity over the period 2025 to 2044, using a combustion turbine levelized carrying cost.
 - b. To the extent that an NMS-2 customer elects a 7-year credit:
 - i. What are the consequences to the Companies if the customer decides at the end of year 3, for example, to abandon the customer's on-site solar facility. In particular, who would be responsible for the loss due to the payment of capacity credits for years 1 through 3 that would no longer provide generation capacity in the remaining 4 years of the 7-year period?
 - ii. Does an NMS-2 customer who terminates a 7-year rate in year 4 face any penalties associated with having received capacity payments that are based on an assumed avoidance over a 20-year period?
- Q2. Refer to "LGE-KU Qualifying Facilities Rates & Net Metering Service-2 Bill Credit, Generation Planning & Analysis, October 2023." Table 1 on page 4 reports QF capacity factors for four types of renewable resources. What is the source for these capacity factors?
- Q3. Refer to "LGE-KU Qualifying Facilities Rates & Net Metering Service-2 Bill Credit, Generation Planning & Analysis, October 2023." On page 4 it states "Then, for each hour and generation technology, the avoided cost of energy was computed with the assumption that the highest-cost energy would be avoided first. For

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example, in an hour where the QF technology was assumed to produce 40 MWh, the Companies sorted each MWh from highest to lowest cost and computed the avoided cost of energy as the sum of decremental energy costs for the top 40 MWh.”

- a. Please provide an example of the Company’s analysis for a single hour, showing the development of the avoided energy cost in the hour for an 80 MW QF (the example can be hypothetical). Include all assumptions in the example.
 - b. With regard to the methodology used by the Company (as described on page 4), please explain how the results would differ, if any, from running two production cost analysis; 1) a base case and 2) a case in which load during the hour was reduced by 40 MW.
- Q4. Refer to “LGE-KU Qualifying Facilities Rates & Net Metering Service-2 Bill Credit, Generation Planning & Analysis, October 2023.” Please provide, in Excel with formulas, the calculations for the levelized 2 and 20-year avoided energy costs used in the 2-year and 7-year contracts.
- Q5. Refer to “LGE-KU Qualifying Facilities Rates & Net Metering Service-2 Bill Credit, Generation Planning & Analysis, October 2023.” On page 5, the report states: “this limit recognizes that the Companies’ avoided cost studies will likely need to be refined to address energy needs throughout the year and not just in peak hours.” Please provide a more detailed explanation of what the Company means by this statement.
- Q6. Please provide copies of the most recently developed LGE-KU Effective Load Carrying Capability (“ELCC”) studies. If the response is that no such studies have been developed, does LGE-KU believe that the ELCC computed by PJM are

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representative of LGE-KU ELCCs? Please include an explanation for your response.

- Q7. Please identify the resource used to develop the assumptions for “other technologies.”
- Q8. Please provide the workpapers, including Excel workbooks with formulas, supporting all of the tables included in the report (“LGE-KU Qualifying Facilities Rates & Net Metering Service-2 Bill Credit, Generation Planning & Analysis, October 2023”).
- Q9. Refer to “LGE-KU Qualifying Facilities Rates & Net Metering Service-2 Bill Credit, Generation Planning & Analysis, October 2023.” On page 16, the report states: “The Levelized Cost of a CT methodology results in avoided cost rates for solar that are greater than the market price of solar, and these rates do not include revenues for renewable energy certificates that a QF may receive.” Please explain what the Company intends to convey by stating that the levelized cost of a CT avoided capacity cost rates for solar are greater than the market price of solar.