

COMMONWEALTH OF KENTUCKY
BEFORE THE PUBLIC SERVICE COMMISSION

In the Matter of:

ELECTRONIC APPLICATION OF)	
LOUISVILLE GAS AND ELECTRIC COMPANY)	CASE NO. 2025-00104
FOR AUTHORITY TO TRANSFER THE)	
RIVERPORT DISTRIBUTION CENTER)	
PURSUANT TO KRS 278.218)	

RESPONSE OF
LOUISVILLE GAS AND ELECTRIC COMPANY
TO
THE COMMISSION STAFF'S INITIAL REQUEST FOR INFORMATION
DATED APRIL 10, 2025

FILED: April 28, 2025

VERIFICATION

COMMONWEALTH OF KENTUCKY)

COUNTY OF JEFFERSON)

The undersigned, **Drew T. McCombs**, being duly sworn, deposes and says that he is Director - Regulatory Accounting for PPL Services Corporation and he provides services to Kentucky Utilities Company and Louisville Gas and Electric Company, and that he has personal knowledge of the matters set forth in the responses, and that the answers contained therein are true and correct to the best of his information, knowledge, and belief.

Drew T. McCombs
Drew T. McCombs

Subscribed and sworn to before me, a Notary Public in and before said County and State, this 22nd day of April 2025.

Tammy J. Ely
Notary Public

Notary Public ID No. KYNP61560

My Commission Expires:

November 9, 2026



VERIFICATION

COMMONWEALTH OF KENTUCKY)

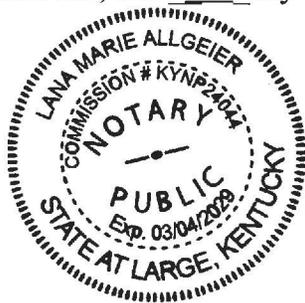
COUNTY OF JEFFERSON)

The undersigned, **Paul W. Weis**, being duly sworn, deposes and says that he is Manager – Real Estate & Right of Way for LG&E and KU Services Company, and that he has personal knowledge of the matters set forth in the responses, and that the answers contained therein are true and correct to the best of his information, knowledge, and belief.



Paul W. Weis

Subscribed and sworn to before me, a Notary Public in and before said County and State, this 22 day of April 2025.



Notary Public

Notary Public ID No. KYNP 2404

My Commission Expires:

03/04/2029

LOUISVILLE GAS AND ELECTRIC COMPANY

**Response to Commission Staff's Initial Request for Information
Dated April 10, 2025**

Case No. 2025-00104

Question No. 1

Responding Witness: Paul W. Weis

- Q-1. Provide the Fair Market Value of the Riverport Central Service Shop. Include the resource of the Fair Market Value determination in the response.
- A-1. The Company's best estimate of the fair market value of the Riverport Central Shop is the appraised value of the property shown on page one of a report completed in October 2024, a copy of which the Company is providing in response to Question No. 2.

LOUISVILLE GAS AND ELECTRIC COMPANY

**Response to Commission Staff's Initial Request for Information
Dated April 10, 2025**

Case No. 2025-00104

Question No. 2

Responding Witness: Paul W. Weis

- Q-2. Provide any appraisals that LG&E has had performed for the Riverport Central Service Shop. If none have been performed, explain whether and, if so, when LG&E plans to have the property appraised. If LG&E does not intend to perform an appraisal, explain why not.
- A-2. See attachment being provided in a separate file. The information requested is confidential and proprietary and is being provided under seal pursuant to a petition for confidential protection.

LOUISVILLE GAS AND ELECTRIC COMPANY

**Response to Commission Staff's Initial Request for Information
Dated April 10, 2025**

Case No. 2025-00104

Question No. 3

Responding Witness: Paul W. Weis

- Q-3. Provide the dollar amount that LG&E plans to list the Riverport Central Service Shop for sale.
- A-3. LG&E plans to list the Riverport Central Service Shop for \$8,600,000.

LOUISVILLE GAS AND ELECTRIC COMPANY

**Response to Commission Staff's Initial Request for Information
Dated April 10, 2025**

Case No. 2025-00104

Question No. 4

Responding Witness: Drew T. McCombs

Q-4. Provide the amount of any current indebtedness on the Riverport Central Service Shop.

A-4. There is no current indebtedness on the Riverport Central Service Shop.

LOUISVILLE GAS AND ELECTRIC COMPANY

**Response to Commission Staff's Initial Request for Information
Dated April 10, 2025**

Case No. 2025-00104

Question No. 5

Responding Witness: Drew T. McCombs

- Q-5. Confirm that the sale will only impact LG&E and will not impact Kentucky Utilities. If not confirmed, explain the response.
- A-5. The sale of the Riverport Central Service Shop will impact only LG&E.

LOUISVILLE GAS AND ELECTRIC COMPANY

**Response to Commission Staff's Initial Request for Information
Dated April 10, 2025**

Case No. 2025-00104

Question No. 6

Responding Witness: Paul W. Weis

- Q-6. Provide a list of any additional assets to be included in the sale of the Riverport Central Service Shop. If there are additional assets, please identify those assets in detail, including fair market value and basis for the amount of the additional assets.
- A-6. No additional non-affixed assets are included in the sale of the building. Improvements to or replacement of fixed assets as part of renovations over the prior years are included in the sale. These assets include: HVAC system, administrative office renovations, parking lot improvements, lighting, fire suppression equipment, and overhead crane.

LOUISVILLE GAS AND ELECTRIC COMPANY

**Response to Commission Staff's Initial Request for Information
Dated April 10, 2025**

Case No. 2025-00104

Question No. 7

Responding Witness: Drew T. McCombs

- Q-7. Provide the current book value, net any depreciation, of the building including any improvements or equipment that will be included as part of the transfer of assets.
- A-7. The current book value, net of depreciation of the Riverport Central Service Shop at March 31, 2025 is \$7.6M

LOUISVILLE GAS AND ELECTRIC COMPANY

Response to Commission Staff's Initial Request for Information
Dated April 10, 2025

Case No. 2025-00104

Question No. 8

Responding Witness: Drew T. McCombs

- Q-8. Provide accounting entries, in detail, that will be recorded on the transfer of the assets.
- A-8. Summary entries are included below. Please note, for entry 2, if the sale is in a loss position, the entry will be to Loss on Electric Plant (421.2).

Entries Processed at Time of Closing

A. Plant Journal Entries

- | | | |
|---|---|---|
| 1. Cash (131) | X | |
| Retirement WIP - (108) | | X |
| <i>Record the net proceeds received from sale.</i> | | |
| 2. Accumulated Provision for Depreciation (108)- Various | X | |
| Retirement WIP - (108) | X | |
| Electric Plant in Service (101) | | X |
| Gain on Disposition of Electric Plant (421.1) (Land Portion Only) | | X |

Reduce accumulated provision for depreciation and plant in service balance, offset by RWIP received, with Gain/Loss recorded for land portion of proceeds.

B. Federal Tax Journal Entries

- | | | |
|---|---|---|
| 1. Income Taxes, Utility Operating Income (409.1) | X | |
| Taxes Accrued (236) - Federal | | X |

Federal entry to record current income tax on the tax gain, net of book.

- | | | |
|---|---|--|
| 2. Income Taxes, Non-Operating Income (409.2) | X | |
|---|---|--|

Taxes Accrued (236) – Federal	X	
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Federal entry to record current income tax on the book gain.

3. Federal Deferred Income Tax - Utility Operating Income (411.1)		X
Accum. Deferred Income Taxes- Other Property (282)	X	

Federal entry to record the deferred income tax on properties.

C. State Tax Journal Entries

1. Income Taxes, Utility Operating Income (409.1)	X	
Taxes Accrued (236) - State		X

State entry to record current income tax on the tax gain, net of book.

2. Income Taxes, Non-Operating Income (409.2)	X	
Taxes Accrued (236) - Federal		X

State entry to record current income tax on the book gain.

3. State Deferred Income Tax - Utility Operating Income (411.1)		X
Accum. Deferred Income Taxes- Other Property (282)	X	

State entry to record the deferred income tax on properties.