

COMMONWEALTH OF KENTUCKY
BEFORE THE PUBLIC SERVICE COMMISSION

In the Matter of:

ELECTRONIC APPLICATION OF KENTUCKY)	
UTILITIES COMPANY FOR AN ADJUSTMENT)	
OF ITS ELECTRIC RATES AND APPROVAL OF)	CASE NO. 2025-00113
CERTAIN REGULATORY AND ACCOUNTING)	
TREATMENTS)	

RESPONSE OF
KENTUCKY UTILITIES COMPANY
TO
THE UNITED STATES DEPARTMENT OF DEFENSE AND ALL OTHER
FEDERAL EXECUTIVE AGENCIES' INITIAL DATA REQUEST

DATED JULY 3, 2025

FILED: JULY 16, 2025


VERIFICATION

COMMONWEALTH OF PENNSYLVANIA)
)
COUNTY OF LEHIGH)

The undersigned, **Julissa Burgos**, being duly sworn, deposes and says that she is the Assistant Treasurer for PPL Corporation and currently provides financial related services to Louisville Gas and Electric Company and Kentucky Utilities Company, that she has personal knowledge of the matters set forth in the foregoing response and that the material contained therein is true and correct to the best of her information, knowledge, and belief.

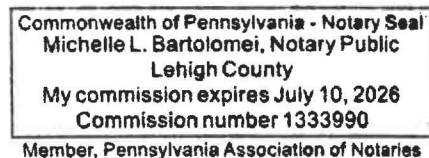

Julissa Burgos

Subscribed and sworn to before me, a Notary Public in and before said County and State,
this 15th day of July, 2025.


Notary Public

Notary Public, ID No. 1333990 (SEAL)

My Commission Expires: July 10, 2026



VERIFICATION

COMMONWEALTH OF KENTUCKY)
)
COUNTY OF JEFFERSON)

The undersigned, **Robert M. Conroy**, being duly sworn, deposes and says that he is Vice President, State Regulation and Rates, for Kentucky Utilities Company and Louisville Gas and Electric Company and an employee of LG&E and KU Services Company, that he has personal knowledge of the matters set forth in the responses for which he is identified as the witness, and the answers contained therein are true and correct to the best of his information, knowledge, and belief.


Robert M. Conroy

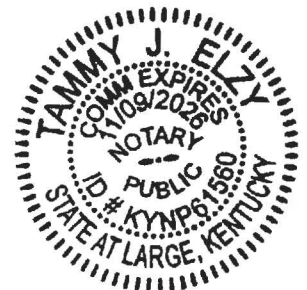
Subscribed and sworn to before me, a Notary Public in and before said County and State, this 14th day of July 2025.


Notary Public

Notary Public ID No. KYNP61560

My Commission Expires:

November 9, 2026



VERIFICATION

STATE OF NEW JERSEY

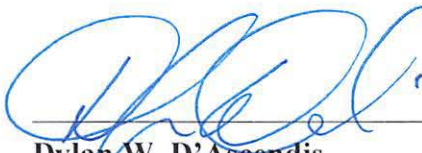
)

)


COUNTY OF CAMDEN

)

The undersigned, **Dylan W. D'Ascendis**, being duly sworn, deposes and says that he is a Partner with ScottMadden, Inc., that he has personal knowledge of the matters set forth in the responses for which he is identified as the witness, and the answers contained therein are true and correct to the best of his information, knowledge and belief.


Dylan W. D'Ascendis

Subscribed and sworn to before me, a Notary Public in and before said County and State,
this 10th day of July 2025.


Notary Public
Notary Public ID No. 2416714

My Commission Expires:

2/1/2027

Joyce E Kelly
NOTARY PUBLIC
State of New Jersey
ID # 2416714
My Commission Expires 2/1/2027

COMMONWEALTH OF KENTUCKY)
)
COUNTY OF JEFFERSON)

Andrea M. Fackler
Andrea M. Fackler

Caroline J. Davison
Notary Public

January 22, 2027



VERIFICATION

COMMONWEALTH OF KENTUCKY)
)
COUNTY OF JEFFERSON)

The undersigned, **Christopher M. Garrett**, being duly sworn, deposes and says that he is Vice President – Financial Strategy & Chief Risk Officer for PPL Services Corporation and he provides services to Kentucky Utilities Company and Louisville Gas and Electric Company, that he has personal knowledge of the matters set forth in the responses for which he is identified as the witness, and the answers contained therein are true and correct to the best of his information, knowledge, and belief.



Christopher M. Garrett

Subscribed and sworn to before me, a Notary Public in and before said County and State, this 14th day of July 2025.

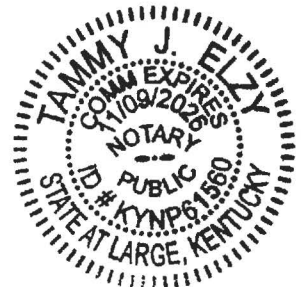


Notary Public

Notary Public ID No. KYNP61560

My Commission Expires:

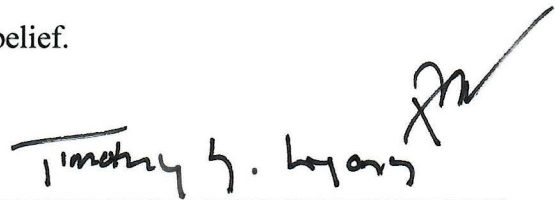
November 9, 2026



VERIFICATION

STATE OF VERMONT)
)
COUNTY OF CHITTENDEN)

The undersigned, **Timothy S. Lyons**, being duly sworn, deposes and says that he is a Partner with ScottMadden Inc., that he has personal knowledge of the matters set forth in the responses for which he is identified as the witness, and the answers contained therein are true and correct to the best of his information, knowledge and belief.




Timothy S. Lyons

On this 14 day of July, 2025, before me, the undersigned notary public, personally appeared **Timothy S. Lyons**, proved to me through satisfactory evidence of identification, which were Vermont Driver's License, to be the person whose name is signed on the preceding or attached document in my presence.

(seal)





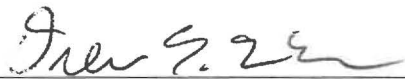
Notary Public Signature
Exp. Jan 31, 2027

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, 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

Subscribed and sworn to before me, a Notary Public in and before said County and State, this 14th day of July 2025.



Notary Public

Notary Public ID No. KYNP61560

My Commission Expires:

November 9, 2026



VERIFICATION

COMMONWEALTH OF KENTUCKY)
)
COUNTY OF JEFFERSON)

The undersigned, **Heather D. Metts**, being duly sworn, deposes and says that she is Director – Financial Planning and Budgeting for Kentucky Utilities Company and Louisville Gas and Electric Company and an employee of LG&E and KU Services Company, 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.

Heather D. Metts
Heather D. Metts

Subscribed and sworn to before me, a Notary Public in and before said County and State, this 14th day of July 2025.

Caroline J. Davison
Notary Public


Notary Public, ID No. KYNP63286

My Commission Expires:

January 22, 2027



COMMONWEALTH OF KENTUCKY)
)
COUNTY OF JEFFERSON)


Charles R. Schram

Caroline J. Davison
Notary Public

January 22, 2027



KENTUCKY UTILITIES COMPANY

**Response to United States Department of Defense and All Other Federal Executive
Agencies' Initial Data Request
Dated July 3, 2025**

Case No. 2025-00113

Question No. 1

Responding Witness: Robert M. Conroy

- Q-1. To the extent not already provided, please provide all schedules, exhibits, tables, figures and supporting workpapers in electronic format with all formulas intact supporting the testimonies of all KU and LG&E witnesses. This is an ongoing request for all subsequent testimonies.
- A-1. See the response and attachments to PSC 1-54 and PSC 1-55.

KENTUCKY UTILITIES COMPANY

**Response to United States Department of Defense and All Other Federal Executive
Agencies' Initial Data Request
Dated July 3, 2025**

Case No. 2025-00113

Question No. 2

Responding Witness: Julissa Burgos / Dylan W. D'Ascendis / Andrea M. Fackler

Q-2. Please provide copies of all publications and credit reports referenced in or considered by witnesses D'Ascendis, Burgos, and Fackler. This is an ongoing request for all subsequent testimonies filed by these witnesses.

A-2. See the response to AG-KIUC 1-104.

Credit reports referenced by witness Burgos were included as attachments in her Direct Testimony. See also the response to Question No. 4.

KENTUCKY UTILITIES COMPANY

**Response to United States Department of Defense and All Other Federal Executive
Agencies' Initial Data Request
Dated July 3, 2025**

Case No. 2025-00113

Question No. 3

Responding Witness: Julissa Burgos / Dylan W. D'Ascendis / Andrea M. Fackler

- Q-3. To the extent not already provided, please provide executable electronic copies with formulas and links intact for all charts, tables, figures, schedules, and exhibits used in support of the testimony filed by witness D'Ascendis, Burgos, and Fackler. This is an ongoing request for all subsequent testimonies filed by these witnesses.
- A-3. See the response and attachments to PSC 1-54. See also the response to AG-KIUC 1-104.

KENTUCKY UTILITIES COMPANY

**Response to United States Department of Defense and All Other Federal Executive
Agencies' Initial Data Request
Dated July 3, 2025**

Case No. 2025-00113

Question No. 4

Responding Witness: Julissa Burgos

- Q-4. Please provide copies of all credit reports published by Standard & Poor's ("S&P"), Moody's and Fitch Ratings for KU and LG&E and its parent company, issued over the last two years. This is an ongoing request.
- A-4. See attachments being provided in separate files for the KU and LG&E credit rating agency reports from S&P and Moody's. Fitch does not rate the debt of KU and LG&E.

KENTUCKY UTILITIES COMPANY

**Response to United States Department of Defense and All Other Federal Executive
Agencies' Initial Data Request
Dated July 3, 2025**

Case No. 2025-00113

Question No. 5

Responding Witness: Julissa Burgos

- Q-5. Please provide complete copies of the most recent credit reports issued by S&P, Moody's and Fitch Ratings that discuss the current credit outlook of the regulated utility industry. This is an ongoing request.
- A-5. See attachments being provided in separate files for the rating agency reports from S&P and Moody's that discuss the current credit outlook of the regulated utility industry. Fitch Ratings is not used by KU and LG&E.

KENTUCKY UTILITIES COMPANY

**Response to United States Department of Defense and All Other Federal Executive
Agencies' Initial Data Request
Dated July 3, 2025**

Case No. 2025-00113

Question No. 6

Responding Witness: Julissa Burgos

- Q-6. Please provide copies of all correspondence, presentations, and all other materials that KU and LG&E or their parent company provided to credit and equity analysts over the last two years. This is an ongoing request.
- A-6. See attachments being provided in separate files for copies of the presentations to rating agencies from 2023-2025. Certain information is confidential and is being provided pursuant to a petition for confidential protection. Presentations related to the EEI Financial Conference and Shareowner Outreach for 2023 and 2024 are also included. See the link below for presentations to investors.

Presentations to Investors

<https://investors.pplweb.com/events>

KENTUCKY UTILITIES COMPANY

Response to United States Department of Defense and All Other Federal Executive Agencies' Initial Data Request Dated July 3, 2025

Case No. 2025-00113

Question No. 7

Responding Witness: Julissa Burgos

Q-7. Please identify the amount of net income and annual dividend KU and LG&E have paid to their parent Company over the last five years and the projected dividend payment through December 31, 2026.

A-7.

	Actual					Projected Dividend	
	<u>2020</u>	<u>2021</u>	<u>2022</u>	<u>2023</u>	<u>2024</u>	<u>2025</u>	<u>2026</u>
KU							
Net Income	280,084,305	296,204,624	322,244,361	312,087,959	355,591,111	383,728,216	281,920,145
Dividends on Common Stock	(200,000,000)	(250,000,000)	(297,000,000)	(190,000,000)	(231,100,000)	(240,997,412)	(198,265,963)
LG&E							
Net Income	243,412,154	249,123,454	272,183,240	266,456,016	297,195,694	296,450,050	254,945,379
Dividends on Common Stock	(161,000,000)	(192,000,000)	(275,000,000)	(167,000,000)	(187,500,000)	(194,005,037)	(168,277,991)

KENTUCKY UTILITIES COMPANY

**Response to United States Department of Defense and All Other Federal Executive
Agencies' Initial Data Request
Dated July 3, 2025**

Case No. 2025-00113

Question No. 8

Responding Witness: Christopher M. Garrett

- Q-8. On electronic spreadsheet with all formulas intact please provide KU and LG&E's earned and authorized return on equity over the last 5 years and provide all financial statements supporting these calculations.
- A-8. KU's authorized return on equity is 9.425% for Kentucky retail base rates. See KU's earned return on equity and support as an attachment being provided in a separate file.

KENTUCKY UTILITIES COMPANY

**Response to United States Department of Defense and All Other Federal Executive
Agencies' Initial Data Request
Dated July 3, 2025**

Case No. 2025-00113

Question No. 9

Responding Witness: Julissa Burgos / Heather D. Metts

- Q-9. Please provide a projection of KU and LG&E's capital expenditures out over the next five years, and an estimate of the sources of cash available to fund these capital expenditures broken out by external debt markets, external equity infusions from its parent company, retained earnings, depreciation expense, deferred taxes and other sources (explain). Please also include in this response the funding planned for debt maturity, retirements and/or refinancing over this same time period.
- A-9. KU and LG&E's Business Plan is only approved through 2028. See the Attachment to Filing Requirement Tab 24 – Section 16(7)(h)(3) – Statement of Cash Flows for the information requested above for 2025-2028.

KENTUCKY UTILITIES COMPANY

**Response to United States Department of Defense and All Other Federal Executive
Agencies' Initial Data Request
Dated July 3, 2025**

Case No. 2025-00113

Question No. 10

Responding Witness: Julissa Burgos / Heather D. Metts

Q-10. In electronic format with all formulas intact, please provide the monthly average balances for construction work in progress and short-term debt for the 13-month base period, ending August 31, 2025, and forecasted period, ending December 31, 2026.

Please identify the amount of short-term debt included in the regulatory capital structure, if any.

A-10. See attachment being provided in a separate file. KU's test period includes a 13-month average short-term debt of \$204,915,642.

KENTUCKY UTILITIES COMPANY

**Response to United States Department of Defense and All Other Federal Executive
Agencies' Initial Data Request
Dated July 3, 2025**

Case No. 2025-00113

Question No. 11

Responding Witness: Drew T. McCombs

- Q-11. Please explain whether KU and LG&E recorded any goodwill asset on their balance sheet. If affirmative, please state whether the goodwill amount was removed from the Company's equity balance.
- A-11. Goodwill recorded on KU's and LG&E's balance sheets is removed from the equity balances for ratemaking purposes.

KENTUCKY UTILITIES COMPANY

**Response to United States Department of Defense and All Other Federal Executive
Agencies' Initial Data Request
Dated July 3, 2025**

Case No. 2025-00113

Question No. 12

Responding Witness: Drew T. McCombs / Heather D. Metts

- Q-12. Please provide the amount of capitalized interest related to construction projects estimated to be paid during the base period and the forecasted period for KU and LG&E.
- A-12. KU's estimated capitalized AFUDC is \$22,040,310 and \$36,212,513 for the base period and forecasted test year respectively.

KENTUCKY UTILITIES COMPANY

**Response to United States Department of Defense and All Other Federal Executive
Agencies' Initial Data Request
Dated July 3, 2025**

Case No. 2025-00113

Question No. 13

Responding Witness: Julissa Burgos

- Q-13. In electronic format with all formulas intact, please provide the regulated five-year projected and five-year historical capital structure for KU and LG&E. Please include a breakdown of all sources of equity capital including retained earnings, paid-in capital (equity infusion), and debt capital, both long-term and short-term debt, etc.
- A-13. KU and LG&E's Business Plan is only approved through 2028. See attachment being provided in a separate file for the five-year historical and 2025-2028 projected capital structure including all sources of equity capital.

KENTUCKY UTILITIES COMPANY

**Response to United States Department of Defense and All Other Federal Executive
Agencies' Initial Data Request
Dated July 3, 2025**

Case No. 2025-00113

Question No. 14

Responding Witness: Robert M. Conroy

Q-14. In electronic format with all formulas intact, please identify the Commission approved capital structure, cost of capital and rate of return in KU and LG&E's last three regulatory proceedings. Please identify the docket and order numbers.

A-14. The Kentucky Public Service Commission issued an Order on June 30, 2021 in Case No. 2020-00349 and the requested information is in Appendix C of that Order.

The Kentucky Public Service Commission issued an Order on April 30, 2019 in Case No. 2018-00294 that approved a Stipulation in this case which included a return on equity of 9.725 percent that was applied to capitalization.

The Kentucky Public Service Commission issued an Order on June 22, 2017 in Case No. 2016-00370 that granted a return on equity of 9.70 percent that was applied to capitalization.

None of the information from the Commission Orders was provided in electronic format.

KENTUCKY UTILITIES COMPANY

**Response to United States Department of Defense and All Other Federal Executive
Agencies' Initial Data Request
Dated July 3, 2025**

Case No. 2025-00113

Question No. 15

Responding Witness: Julissa Burgos

- Q-15. Please describe how KU and LG&E accesses external capital. If the Companies' external capital is provided by its parent company under a credit agreement, please describe the terms of the credit agreement and the associated service fees.
- A-15. KU and LG&E typically access external capital by issuing long-term debt securities in the public capital markets. The Companies also maintain syndicated revolving credit facilities of \$600 million each, which support their commercial paper programs that serve as their primary source of short-term debt. Their parent company has the ability to provide short-term borrowings through an intercompany lending arrangement and from time to time provide equity contributions to maintain an appropriate capitalization structure.

KENTUCKY UTILITIES COMPANY

Response to United States Department of Defense and All Other Federal Executive Agencies' Initial Data Request Dated July 3, 2025

Case No. 2025-00113

Question No. 16

Responding Witness: **Julissa Burgos**

- Q-16. Please provide the most recent senior secured, unsecured and corporate credit ratings of KU and LG&E, assigned by S&P, Moody's and Fitch. Also, please provide KU and LG&E's S&P business and financial risk profiles and identify the benchmark volatility table (standard, medial or low) used by S&P. Finally, identify the Moody's risk grid used to evaluate KU and LG&E's credit metrics.
- A-16. See table below for a summary of the ratings assigned to KU and LG&E. Fitch does not rate KU and LG&E.

Credit Ratings		
Issuer	Moody's	S&P
Louisville Gas & Electric Company		
Issuer Rating	A3	A-
Senior Secured/First Mortgage Bond	A1	A
Unsecured	NR	NR
Business Risk Grid	Standard	
Kentucky Utilities Company		
Issuer Rating	A3	A-
Senior Secured/First Mortgage Bond	A1	A
Unsecured	NR	NR
Business Risk Grid	Standard	

S&P's Risk Profile		
Issuer	Risk Score	Benchmark Volatility Table
Louisville Gas & Electric Company		
Business Risk	Excellent	Medial Volatility
Financial Risk	Significant	
Kentucky Utilities Company		
Business Risk	Excellent	Medial Volatility
Financial Risk	Significant	

KENTUCKY UTILITIES COMPANY

**Response to United States Department of Defense and All Other Federal Executive
Agencies' Initial Data Request
Dated July 3, 2025**

Case No. 2025-00113

Question No. 17

Responding Witness: Julissa Burgos

Q-17. To the extent not already provided, please provide in electronic format with all formulas intact, KU and LG&E's credit metric calculations relied on by S&P and Moody's for the last five years and test year projections if available. Please include all financial statements used to derive these credit metrics. In addition, please provide S&P and Moody's benchmark ranges for the credit metrics.

A-17. The credit metric calculations provided for the last 5 years are sourced from Moody's and S&P. See attachments being provided in separate files.

Moody's and S&P utilize the financial statements from PPL's 10K and 10Q filings and will adjust based on their respective methodologies to derive the credit metrics.

Test year projected financial statements can be found in the filing requirements 16(7)(h)(1), 16(7)(h)(2), and 16(7)(h)(3).

KENTUCKY UTILITIES COMPANY

**Response to United States Department of Defense and All Other Federal Executive
Agencies' Initial Data Request
Dated July 3, 2025**

Case No. 2025-00113

Question No. 18

Responding Witness: Drew T. McCombs

- Q-18. Please state whether KU and LG&E's regulated retail operations have any off-balance sheet debt such as purchased power agreements and operating leases. If the answer is "yes," provide the amount of each off-balance sheet debt item and estimate the related imputed interest and amortization expense associated with these off-balance sheet debt equivalents specific to KU and LG&E's jurisdictional regulated retail electric operations.
- A-18. KU and LG&E enter into operating leases, which are recorded on the balance sheet in accordance with Accounting Standards Update 2016-02. KU and LG&E have a power purchase agreement with the Ohio Valley Electric Corporation expiring in June 2040. Future obligations from OVEC are demand payments, comprised of debt-service payments and contractually-required reimbursements of plant operating, maintenance and other expenses. As of March 31, 2025, the estimated share of OVEC's debt was \$21 million for KU's jurisdictional regulated retail electric operations and \$41 million for LG&E's jurisdictional regulated retail electric operations. The annual estimated share of OVEC's interest and amortization expense is \$1 million for KU's jurisdictional regulated retail electric operations and \$2 million for LG&E's jurisdictional regulated retail electric operations.

KENTUCKY UTILITIES COMPANY

Response to United States Department of Defense and All Other Federal Executive Agencies' Initial Data Request Dated July 3, 2025

Case No. 2025-00113

Question No. 19

Responding Witness: Julissa Burgos

Q-19. Do any of KU and LG&E's outstanding long-term debt issues have call provisions? If the answer is "yes," please provide a list of the callable issues with the following: a) outstanding balance, b) issuance date, c) maturity date, d) coupon payment percent, e) annual interest expense, and f) call price (as a percent of par).

A-19. Yes, see below for the long-term debt issues that have call provisions, other than the 3-6 month par call that exists in most debt agreements depending on tenor.

Debt Issuance Type	Amount Outstanding	Issuance Date	Maturity Date	Coupon	Annual Interest Expense	Call Price (as % of Par)
KENTUCKY UTILITIES COMPANY						
KU 3.375 Carroll 2018A	17,875,000	9/5/2018	2/1/2026	3.38%	603,281	100.00%
KU Carroll 2008A	77,947,405	10/17/2008	2/1/2032	2.00%	1,558,948	100.00%
KU Carroll 2006B	54,000,000	2/23/2007	10/1/2034	2.13%	1,147,500	100.00%
LOUISVILLE GAS AND ELECTRIC COMPANY						
LGE Jefferson 2003A	128,000,000	11/20/2003	10/1/2033	2.00%	2,560,000	100.00%
LGE 3.75 Trimble 2017A	60,000,000	6/1/2017	6/1/2033	3.75%	2,250,000	100.00%

KENTUCKY UTILITIES COMPANY

**Response to United States Department of Defense and All Other Federal Executive
Agencies' Initial Data Request
Dated July 3, 2025**

Case No. 2025-00113

Question No. 20

Responding Witness: Julissa Burgos

- Q-20. Has KU and LG&E performed any debt refinancing feasibility studies on its outstanding debt issues? If the answer is "yes," please provide the following:
- a. A detailed description of the results from the study.
 - b. A detailed description of the conclusions(s) made by KU and LG&E based on the results of the study.
 - c. All debt refinancing feasibility studies in electronic format with all formulas intact.
- A-20. KU and LG&E have not specifically performed a debt refinancing feasibility study. However, KU and LG&E continuously monitor their respective debt portfolios in consultation with the bank group to identify opportunities to refinance existing debt that could result in cost savings. Due to the nature and tenor of the Companies' long-term debt, refinancing these bonds is typically cost prohibitive because of the make-whole provisions included in their debt agreements.
- a. Not applicable
 - b. Not applicable
 - c. Not applicable

KENTUCKY UTILITIES COMPANY

**Response to United States Department of Defense and All Other Federal Executive
Agencies' Initial Data Request
Dated July 3, 2025**

Case No. 2025-00113

Question No. 21

Responding Witness: Julissa Burgos / Andrea M. Fackler

- Q-21. Referring to LG&E's Schedule J-1 and J-1.1/J-1.2, the Company's base period common equity ratio is 48.61%, but the forecasted period has a common equity ratio of 52.93%. On electronic spread sheet with all formulas intact, please identify the adjustments made to the capital structure from the base period. Also, please reconcile Col. C and Col J from Schedule J-1 with Col C and Col. J.1/J.2 of Schedule J-1.1/J- 1.2.
- A-21. This question is not applicable to KU's proceeding.

KENTUCKY UTILITIES COMPANY

**Response to United States Department of Defense and All Other Federal Executive
Agencies' Initial Data Request
Dated July 3, 2025**

Case No. 2025-00113

Question No. 22

Responding Witness: Julissa Burgos / Andrea M. Fackler

- Q-22. Referring to KU's Schedule J-1 and J-1.1/J-1.2, the Company's base period common equity ratio is 50.48%, but the forecasted period has a common equity ratio of 52.86%. On electronic spread sheet with all formulas intact, please identify the adjustments made to the capital structure from the base period. Also, please reconcile Col. C and Col J from Schedule J-1 with Col C and Col. J.1/J.2 of Schedule J-1.1/J-1.2.
- A-22. See attachment "2025 PSC DR1 KU Attach to Q54 – Sch J.xlsx", tab "SCH J-1" and "SCH B-1.1 B" to KU's response to PSC 1-54. See also "Appendix G – Electric and Gas Pro Forma Adjustments" in the Fackler Direct Testimony for explanation of the adjustments.

As for the reconciliation of the information shown on Schedules J-1 and J-1.1/J-1.2, the information is for two different periods. Schedule J-1 is for the Base Period, which includes six months of actual data and six months of forecasted data. Schedule J-1.1/J-1.2 is a fully forecasted test year. LG&E and KU target a ratio of 53% equity and 47% debt on a quarterly basis. The Base Period included a debt issuance in August 2025, which caused the equity ratio to decline to 50.48%. The quarterly rebalancing process includes a capital contribution that rebalances the capital structure to approximately 53% equity and 47% debt. Therefore, the inconsistency is merely a timing issue as a result of the budgeted debt issuance and the end of the base period being in August and not at the end of the quarter.

KENTUCKY UTILITIES COMPANY

**Response to United States Department of Defense and All Other Federal Executive
Agencies' Initial Data Request
Dated July 3, 2025**

Case No. 2025-00113

Question No. 23

Responding Witness: Julissa Burgos / Drew T. McCombs / Heather D. Metts

- Q-23. Referring to KU and LG&E's responses to PSC-1 Question No. 21-23, on electronic spreadsheet with all formulas intact please provide the attachments included in these responses.
- A-23. See attachment being provided in a separate file. See also the attachments provided in the responses to PSC 1-22 and PSC 1-23 (with all formulas intact).

KENTUCKY UTILITIES COMPANY

**Response to United States Department of Defense and All Other Federal Executive
Agencies' Initial Data Request
Dated July 3, 2025**

Case No. 2025-00113

Question No. 24

Responding Witness: Timothy S. Lyons

Q-24. Concerning the direct testimony of Timothy Lyons please provide the following:

- a. On an electronic spreadsheet with all formula intact please provide a class cost of service study used to apportion new increase across rate classes.
- b. On an electronic spreadsheet with all formula intact please provide the spreadsheet used to develop the proposed apportionment to the revenue increase across rate classes.
- c. Please provide an assessment of changes in on-peak and off-peak periods according to Mr. Lyons proposed rate adjustments issued across rates.

A-24.

- a. See attachment "2025 PSC DR1 KU Attach to Q54 - Exhibit_TSL-2,TSL-3,TSL-4,TSL-11_KU_COSS - Redacted.xlsx" to KU's response to PSC 1-54.
- b. See attachment "2025 PSC DR1 KU Attach to Q54 - Exhibit_TSL-2,TSL-3,TSL-4,TSL-11_KU_COSS - Redacted.xlsx", tab "Class Revenues (Schedule 4)" to KU's response to PSC 1-54.
- c. The proposed time-of-day rates reflect a uniform percentage change across periods.

KENTUCKY UTILITIES COMPANY

**Response to United States Department of Defense and All Other Federal Executive
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Dated July 3, 2025**

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Question No. 25

Responding Witness:

Q-25. There is no question in this request for information.

A-25.

KENTUCKY UTILITIES COMPANY

**Response to United States Department of Defense and All Other Federal Executive
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Dated July 3, 2025**

Case No. 2025-00113

Question No. 26

Responding Witness: Charles R. Schram

Q-26. Please outline KU's and LG&E's integrated resource plan for production transmission capacity cost noting the following:

- a. Please explain the capacity accreditation methodology used to determine how much of the production resource name plate capacity rating is expected to be available to serve peak demands.
- b. Please explain methodologies for determining the net load obligations KU and LG&E must meet in order to meet resource adequacy requirements on the system and net load would be total peak load offset by customer owned generation.
- b. Please provide an assessment of how changing load characteristics on KU and LG&E's system impacts peak periods capacity constraints, the duration of peak periods, and the need for system resource capacity resources that is available to serve peak demand periods.
- c. Please estimate KU and LG&E's avoided cost of capacity resource needed for peak periods to ensure each utility meets their resource adequacy obligations for production capacity.

A-26.

- a. See the attachment being provided in a separate file. For wind and solar, see Section 3.2.3 of the 2024 IRP Technology Update. For battery storage and dispatchable DSM, see Section 4 of the 2024 IRP Resource Adequacy Analysis.
- b. See the attachment being provided in a separate file. See also the responses to Question No. 27 and JI 1-123.
- b. See Section 2 of the 2024 IRP Resource Assessment included in the attachment to part (a).
- c. See Section 3 of Exhibit CRS-6.

KENTUCKY UTILITIES COMPANY

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Question No. 27

Responding Witness: Charles R. Schram

- Q-27. Please provide complete copies of KU and LG&E's integrated resource plans for both production resource capacity and provide all supporting appendices and attachments and exhibits.
- A-27. The Companies' 2024 Integrated Resource Plan documentation is available at the Commission's website at <https://psc.ky.gov/Case/ViewCaseFilings/2024-00326>.