### **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 CERTAIN REGULATORY AND ACCOUNTING TREATMENTS	) ) )	CASE NO. 2025-00113

# RESPONSE OF KENTUCKY UTILITIES COMPANY TO THE LEXINGTON-FAYETTE URBAN COUNTY GOVERNMENT'S SECOND REQUEST FOR INFORMATION

**DATED JULY 31, 2025** 

**FILED: AUGUST 12, 2025** 

COMMONWEALTH OF KENTUCKY	
COUNTY OF JEFFERSON	,

The undersigned, **John Bevington**, being duly sworn, deposes and says that he is Senior Director – Business and Economic Development for PPL Services Corporation and he provides services to Louisville Gas and Electric Company and Kentucky Utilities 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.

John Bevington

Notary Public

Notary Public ID No. KYNP4577

My Commission Expires:

April 1, 2028

VENITA MICHELLE DEFREEZE NOTARY PUBLIC Commonwealth of Kentucky Commission # KYNP4577 My Commission Expires 4/1/2028

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, 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

Andrea M. Fackler

Notary Public Lely

Notary Public ID No. KYNP61560

My Commission Expires:

November 9, 2026

COMMONWEALTH OF KENTUCKY	)
	)
COUNTY OF JEFFERSON	)

The undersigned, **Michael E. Hornung**, being duly sworn, deposes and says that he is Manager of Pricing/Tariffs for 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.

Michael E. Hornung

Notary Public J. Elyy

Notary Public ID No. KYNF61560

My Commission Expires:

November 9, 2026

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

(seal)

SARA GOEWEY
Notary Public, State of Vermont
Commission No. 157.0016588
My Commission Expires 01/31/2027

Notary Public Signature

COMMONWEALTH OF KENTUCKY	)
	)
COUNTY OF JEFFERSON	)

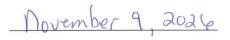
The undersigned, **Heather D. Metts**, being duly sworn, deposes and says that she is Director – Financial Planning and Budgeting for Kentucky Utilities Company and Louisville Gas and Electric Company and an employee of LG&E and KU Services Company, that she has personal knowledge of the matters set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

Notary Public J. Ely

Notary Public, ID No. KYNP61560

My Commission Expires:





COMMONWEALTH OF KENTUCKY	)
	)
COUNTY OF JEFFERSON	)

The undersigned, **Peter W. Waldrab**, being duly sworn, deposes and says that he is Vice President, Electric Distribution, 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.

Peter W. Waldrab

Notary Public Elys

Notary Public ID No. KYNP61560

My Commission Expires:





# Response to Lexington-Fayette Urban County Government's Second Request for Information Dated July 31, 2025

Case No. 2025-00113

### **Question No. 1**

Responding Witness: Michael E. Hornung

- Q-1. Refer to the Companies' proposed Green Tariff.
  - a. Confirm that Green Tariff Option #3 is limited to a customer contracting for a minimum monthly billing load of 10 MVA (or MW as is appropriate), but that a customer with multiple accounts may aggregate those accounts for the sole purpose of meeting the 10 MVA requirement.
  - b. Confirm that Green Tariff Option #3 is available as a rider to customers to be served only under Company's Standard Rate Schedules TODS, TODP, RTS, EHLF, and FLS.
  - c. Confirm that the aggregation of accounts identified in (a) above is limited to those accounts in Rate Schedules TODS, TODP, RTS, EHLF, and FLS.
  - d. Confirm that Green Tariff Option #2 is available as a rider to customers receiving service under Company's standard GS, GTOD-Energy, GTOD-Demand, PS, TODS, TODP, RTS, or FLS rate schedules.
  - e. Explain why the Companies do not allow customers under Green Tariff Option #3 to aggregate accounts under accounts under GS, GTOD-Energy, GTOD-Demand, and PS.

### A-1.

- a. Confirmed.
- b. Confirmed.
- c. Confirmed.
- d. Confirmed.
- e. This approach seeks to facilitate appropriate rate recovery of the Companies' embedded costs, as the energy charges in the larger rate schedules (TODS, TODP, RTS, EHLF, and FLS) are designed to align with the actual cost of

# Response to Question No. 1 Page 2 of 2 Hornung

variable energy, while demand charges—unaffected by Option #3—address the embedded fixed costs.

# Response to Lexington-Fayette Urban County Government's Second Request for Information Dated July 31, 2025

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#### **Question No. 2**

### Responding Witness: Michael E. Hornung / Timothy S. Lyons

- Q-2. Refer to the Direct Testimony of Lyons at page 27, line 9. Provide a detailed narrative describing the differences in how the proposed base rates for the LS rate class were determined in comparison to the proposed base rates for the RLS rate class.
- A-2. Proposed base rates for the LS rate were based on the annual revenue requirement of new lighting installations to ensure new lighting installations reflect their cost of service. See attachment "2025 LFUCG DR1 KU Attach to Q07 KU Lighting Rate.xlsx" to KU's response to LFUCG 1-7 for derivation of the proposed LS base rates for each type of lighting installation.

Proposed base rates for the RLS rate were based on a percentage increase in the current base rates. The percentage increase reflects the revenue increase needed to recover the combined LS and RLS class revenue requirement not recovered in the proposed base rates for the LS rate.

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**Question No. 3** 

Responding Witness: Michael E. Hornung / Timothy S. Lyons

- Q-3. Refer to the responses to Items 1 and 3 of LMG's and LFUCG's First Requests for Information, in which the Companies indicate that the proposed rates in Rate LS are based on new lighting installations. Identify every other rate classification within the Companies' current or proposed tariff for which the rate design is based on the cost of new or future installations.
- A-3. There are no other proposed tariffs for which the rate design is based solely on the cost of new or future customer installations.

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**Question No. 4** 

Responding Witness: Michael E. Hornung / Peter W. Waldrab

- Q-4. Refer to the responses to Item 13 of Louisville Metro Government's ("LMG") and LFUCG's First Requests for Information, which state in part: "Most existing RLS fixtures have a comparable LED with a lower monthly rate." Identify each RLS fixture that does not have a comparable LED with a lower monthly rate than its RLS counterpart. Include within your answer the RLS fixture and its proposed monthly rate, as well as the comparable LED fixture and its proposed rate.
- A-4. See attachment being provided in a separate file.

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**Question No. 5** 

Responding Witness: Peter W. Waldrab

- Q-5. Refer to Items 18 and 20 of LMG's and LFUCG's First Requests for Information, which request the number of certain accounts as of June 30 on each year since 2020. The attachments to the responses include a column for a "Grand Total." Explain what the "Grand Total" amounts reflect.
- A-5. The Grand Total at the bottom row of the attachments for LFUCG 1-18 and LFUCG 1-20 is the sum of each of the rows above it, representing the total contract accounts for each type of light or pole as referenced. The Grand Total to the far-right column can be ignored, it is the sum of each of the columns to the left and is not pertinent information.

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**Question No. 6** 

Responding Witness: Peter W. Waldrab

- Q-6. Refer to the responses to Item 14 of LMG's and LFUCG's First Requests for Information, which indicates that 46.4% of outdoor lights provided "by the Company" to customers are LED lights. Confirm that both KU and LG&E individually have 46.4% of outdoor lights in each Company's system that are LED lights. If this is incorrect, please identify the percentage of streetlights throughout KU's system that is an LED light and the percentage of streetlights throughout LG&E's system that is an LED light.
- A-6. As per the Company's response to LFUCG 1-14, 25% of outdoor lights provided by KU to customers are LED lights.

## Response to Lexington-Fayette Urban County Government's Second Request for Information Dated July 31, 2025

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#### **Question No. 7**

Responding Witness: Peter W. Waldrab

- Q-7. Refer to responses to Item 18 of LMG's and LFUCG's First Requests for Information. For KU, if totals in the attachment for LED lights in June 2025 are summed, it appears to indicate that there are 18,542 LED lights out of 64,770 total lights in KU's system, which would be 28.6%. For LG&E, if totals in the attachment for LED lights in June 2025 are summed, it appears to indicate that there are 6,399 LED lights out of 21,562 total lights in LG&E's system, which would be 29.7%.
  - a. Confirm that these totals and calculated percentages are accurate. If not, please explain why they are not.
  - b. Explain why the percentage of LED lights shown in the responsive attachments do not equal the percentage (46.4%) identified in the Companies' responses to Item 14 of LMG's and LFUCG's First Requests for Information.

A-7.

- a. The data provided in response to LFUCG 1-18 contains all contract accounts for Rates LS and RLS for all Kentucky jurisdictional operations as requested. Each contract account may have one or more lights per account, therefore summing the accounts does not give an accurate number of lights. As of June 30, 2025, there were 45,891 LED lights and 184,872 total lights in KU's system which would be 25% LED lights.
- b. The data provided in response to LFUCG 1-18 contains all contract accounts for Rates LS and RLS for all Kentucky jurisdictional operations as requested, which is different than the actual number of lights. See the response to Question No. 6.

# Response to Lexington-Fayette Urban County Government's Second Request for Information Dated July 31, 2025

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### **Question No. 8**

### Responding Witness: Michael E. Hornung / Peter W. Waldrab

- Q-8. Refer to the Wood Pole Rate Code PK5 for KU and PL5 for LG&E.
  - a. Identify the number of accounts for each of those two rate codes as of June 30 on each year since 2020.
  - b. These rate codes fall under the Companies' designation for overhead service. Explain what circumstances would exist for the Companies to charge this rate to customers.

#### A-8.

	JUN 2022	JUN 2023	JUN 2024	JUN 2025
KU - PK5	21	33	62	96
LGE - PL5	11	26	45	65

b. Rate codes PK5 and PL5 are used for overhead lighting where a new wood pole was set specifically for the light.

# Response to Lexington-Fayette Urban County Government's Second Request for Information Dated July 31, 2025

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**Question No. 9** 

Responding Witness: Peter W. Waldrab

- Q-9. Refer to responses to Item 23 of LMG's and LFUCG's First Requests for Information. KU indicated that it has had 266, 1052, and 1374 replacements for Rate RLS in each of the last three years in its jurisdictional system. LG&E indicated that it had 1,846, 1,994, and 1,736 in each of the last three years.
  - a. Confirm that each of these replacements would have resulted in a lighting fixture from Rate RLS be replaced with a fixture from Rate LS.
  - b. Both KU responded that they "would anticipate a similar amount over the next 5 years." KU has experienced approximately 5 times the replacements in 2024 compared to 2022. Does KU expect replacements over the next 5 years to be similar to the 2022 amount, to the 2024 amount, or to a continuing increasing trend? Explain your answer.
- A-9. The Company's response to LFUCG 1-23 included the number of street light fixtures replaced in each of the last three years. Those fixture replacements would include both LS and RLS fixtures.
  - a. The Company does not track replacements by type, and the replacement data provided would include both LS and RLS fixtures being replaced with a LS fixture.
  - b. The Company expects replacements to continue in a similar amount as 2024. In addition to these routine replacements due to fixture failures, the Company expects an increasing number of fixtures to be replaced due to the fact that HPS bulbs are quickly becoming unavailable in the market. As HPS bulbs become unavailable, some repairs that would typically only require a bulb and/or photo-control will now require a new fixture.

## Response to Lexington-Fayette Urban County Government's Second Request for Information Dated July 31, 2025

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#### **Question No. 10**

### Responding Witness: Michael E. Hornung / Peter W. Waldrab

- Q-10. Refer to responses to Item 24 of LMG's and LFUCG's First Requests for Information and Exhibit WSS-5 of Steve Seelye's direct testimony in the 2020 Rate Case. For KU and LG&E individually, please identify the following:
  - a. The number of fixtures and the date on which that number is based;
  - b. The most current Net Book Value;
  - c. The estimated percent of the Net Book Value for Poles and Fixtures; and
  - d. The underlying facts on which the estimated percentages in (c) were based.

A-10.

a. KU: 144,756 (as of March 31, 2025) LG&E: 69,437 (as of March 31, 2025)

b. KU: \$106,878,621 LG&E: \$91,645,166

c. KU (Poles): 46.36% KU (HID Fixtures): 44.54%

> LG&E (Poles): 67.50% LG&E (HID Fixtures): 24.24%

d. The percentages in part c were calculated based on calculated net book value based on current costs in order to allocate the actual book value. This is the same methodology used in the Companies' 2018 and 2020 rate cases.

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#### **Question No. 11**

### Responding Witness: Andrea M. Fackler / Heather D. Metts

- Q-11. Refer to Schedule M-2.3 at page 26 of 31 for KU and Schedule M-2.3-E at page 25 of 31 for LG&E. Explain why the Companies do not include any forecasted revenue for Lighting Service conversions.
- A-11. Per the Settlement Agreement reached in Case Nos. 2020-00349 and 2020-00350,<sup>1</sup> the Companies no longer include a revenue component as part of the Lighting Service conversion fees.

<sup>&</sup>lt;sup>1</sup> See also Stipulation Exhibit 5, Page 41 of 175, which reflects a reduction in the Company's proposed \$5.01 monthly conversion fee to \$3.29, and Schedule M-2.3, Page 22 of 26, which shows the makeup of the Company's proposed monthly conversion fee and that \$1.72 of the \$5.01 total fee was the revenue component. The remaining \$3.29 was the salvage component.

# Response to Lexington-Fayette Urban County Government's Second Request for Information Dated July 31, 2025

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**Question No. 12** 

Responding Witness: Peter W. Waldrab

- Q-12. In responses to Item 35 of LMG's and LFUCG's First Requests for Information, which related to technological advancements and improved communications with customers, the Companies stated: "The Company is exploring the feasibility of adding functionality to their mobile app that would enable users to report street light outages by using a map to identify and select the streetlight in question." A similar question was asked by LMG and LFUCG in the 2020 rate case (Item 25), in which the Companies stated, "The Company is considering the feasibility of developing this type of feature on the Company's App or Website, but has no definitive plans for deployment." Detail and explain the Companies' progress over the last five years on this issue.
- A-12. The Companies have met with their mobile app provider to review the mobile app functionality for reporting street light outages. The Companies have also requested and received initial pricing from the mobile app provider to add this functionality, and these enhancements remain under consideration as part of the Company's plans to improve customer self-service.

# Response to Lexington-Fayette Urban County Government's Second Request for Information Dated July 31, 2025

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### **Question No. 13**

### Responding Witness: Michael E. Hornung

- Q-13. Refer to the responses to Item 50(b) of LMG's and LFUCG's First Requests for Information.
  - a. State whether the Companies' proposed changes to NMS-2 will impact existing customers on the NMS-2 rate schedule.
  - b. State whether the Companies' proposed changes to NMS-2 will impact existing customers on the NMS-1 rate schedule.

#### A-13.

- a. Yes. The proposed modifications to NMS-2 will affect all customers who have received, are currently receiving, or will receive service under this tariff offering.
- b. No. Customers taking service under the NMS-1 rate schedule will not be affected by any of the proposed changes.

# Response to Lexington-Fayette Urban County Government's Second Request for Information Dated July 31, 2025

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### **Question No. 14**

Responding Witness: Michael E. Hornung

- Q-14. Refer to the Companies' Net Metering Service proposed tariffs. Explain to whom the proposed changes will apply. Include within your answer whether any existing customers on the NMS-1 or NMS-2 rate schedules will be grandfathered into any provisions and, if so, which ones.
- A-14. No changes are proposed for NMS-1. All NMS-2 customers will receive the proposed updates. See the response to Question No. 13.

# Response to Lexington-Fayette Urban County Government's Second Request for Information Dated July 31, 2025

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**Question No. 15** 

**Responding Witness: John Bevington** 

- Q-15. Refer to the responses to Item 50(b) of LMG's and LFUCG's First Requests for Information, in which the Companies indicate that "no RTS or potential EHLF customers have expressed interest in opting into Rider SSP to date." Describe in detail communications the Companies have had with potential EHLF customers related to clean-energy-procurement needs and what options would be available to those potential customers.
- A-15. The Companies assume the question refers to the response to LMG and LFUCG's First Request for Information Item 53(b). Most conversations the Companies are having with potential EHLF customers relate to accessing available capacity as quickly as possible. In some limited interactions about renewable energy and sustainability targets that potential customers have, the Companies have referenced the available Green Tariff options and the Companies have expressed a general willingness to think creatively about how to help them reach their goals.

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### **Question No. 16**

### Responding Witness: Timothy S. Lyons

- Q-16. Refer to TSL-2 at page 3 of 4, which indicates KU has rate base of \$160,397,661 within Rate LS & RLS and TSL-5 at page 3 of 4, which indicates LG&E has rate base of \$137,446,895 within Rate LS & RLS.
  - a. Identify the rate base for each Company within Rate LS.
  - b. Identify the rate base for each Company within Rate RLS
  - c. If the Companies cannot delineate rate base between Rate LS and Rate RLS, explain why not.

#### A-16.

- a. LS and RLS classes were combined for the purposes of COSS; thus, only the combined rate base amount is available.
- b. See the response to part (a).
- c. See the response to part (a). The Companies do not separately identify plant accounts by Rate LS and Rate RLS.

# Response to Lexington-Fayette Urban County Government's Second Request for Information Dated July 31, 2025

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### Question No. 17

Responding Witness: Timothy S. Lyons

- Q-17. Identify each Companies' rate base associated with LED lighting.
- A-17. The Companies do not separately identify plant accounts by LED and non-LED lighting.

# Response to Lexington-Fayette Urban County Government's Second Request for Information Dated July 31, 2025

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### **Question No. 18**

Responding Witness: Timothy S. Lyons

- Q-18. Identify each Companies' rate base associated with non-LED lighting.
- A-18. The Companies do not separately identify plant accounts by LED and non-LED lighting.