

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 KENTUCKY SOLAR INDUSTRIES ASSOCIATION, INC.'S POST-
HEARING REQUESTS FOR INFORMATION

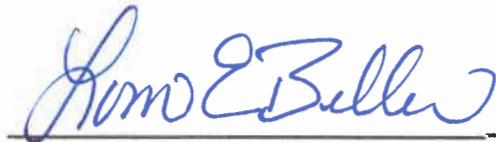
DATED NOVEMBER 12, 2025

FILED: NOVEMBER 25, 2025

VERIFICATION

COMMONWEALTH OF KENTUCKY)
)
COUNTY OF JEFFERSON)

The undersigned, **Lonnie E. Bellar**, being duly sworn, deposes and says that he is Executive Vice President of Engineering, Construction and Generation 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.



Lonnie E. Bellar

Subscribed and sworn to before me, a Notary Public in and before said County and State, this 20th day of November 2025.



Notary Public

Notary Public ID No. KYNP63286

My Commission Expires:

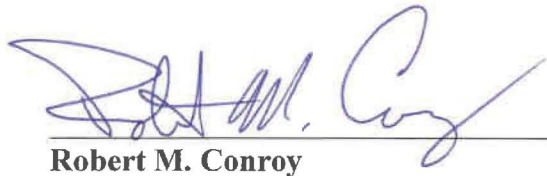
January 22, 2027



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

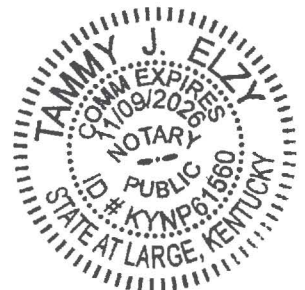
Subscribed and sworn to before me, a Notary Public in and before said County and State, this 21st day of November 2025.


Notary Public

Notary Public ID No. KYNP61560

My Commission Expires:

November 9, 2026



COMMONWEALTH OF KENTUCKY)
)
COUNTY OF JEFFERSON)


Michael E. Hornung

Caroline J. Davern
Notary Public

January 22, 2027



VERIFICATION

COMMONWEALTH OF KENTUCKY)
)
COUNTY OF JEFFERSON)

The undersigned, **Charles R. Schram**, being duly sworn, deposes and says that he is Vice President –Energy Supply and Analysis for Kentucky Utilities Company and Louisville Gas and Electric Company and is 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.



Charles R. Schram

Subscribed and sworn to before me, a Notary Public in and before said County and State this 18th day of November 2025.



Notary Public

Notary Public ID No. KYNP32193

My Commission Expires:

06-25-2029



VERIFICATION

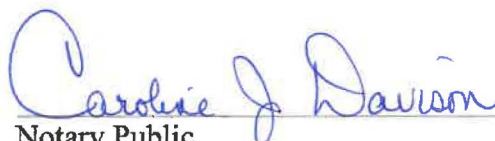
COMMONWEALTH OF KENTUCKY)
)
COUNTY OF JEFFERSON)

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

Subscribed and sworn to before me, a Notary Public in and before said County and State, this 18th day of November 2025.



Notary Public

Notary Public ID No. KYNP63286

My Commission Expires:

January 22, 2027



KENTUCKY UTILITIES COMPANY

**Response to Kentucky Solar Industries Association, Inc.'s Post-Hearing Requests
for Information**

Dated November 12, 2025

Case No. 2025-00113

Question No. 1

Responding Witness: Lonnie E. Bellar

- Q-1. Please supply a copy of the White Paper: Beyerle, David S.; Stewart, Noah M.; Lavin, Shaun E.; Alkire, Chad C.; Nikolic, Heather; Kelty, Samuel; Boggs, Ezekiel A.; Boyle, Declan; Holloway, Lawrence E.; and Patrick, Aron M., "The Rhythm of Renewables: Minute-by-Minute Insights from Kentucky" (2025). *Electrical and Computer Engineering Faculty Publications*. 62., listed in the Renewable Energy publications in the Innovate research portion of the PPL Corporation website at: <https://www.pplweb.com/innovation/research-and-development/academic-publications/>
- A-1. See attachment being provided in a separate file.

KENTUCKY UTILITIES COMPANY

**Response to Kentucky Solar Industries Association, Inc.'s Post-Hearing Requests
for Information**

Dated November 12, 2025

Case No. 2025-00113

Question No. 2

Responding Witness: Charles R. Schram

Q-2. On a company-by-company basis (Kentucky jurisdictional electric operations), provide the (a) planning reserve margin in MW and as a percentage, (b) incremental cost of firm natural gas supply and transportation delivery contracts, (c) natural gas volume and percentage of total supply for which firm supply and transportation delivery has been secured and is planned to be secured, and (c) the marginal cost in \$ per unit of capacity for the highest cost planned capacity units or purchases. If these amounts cannot be provided on a company-by-company basis, supply them for the combined Companies' Kentucky jurisdictional operations.

A-2.

- a. The Companies plan reserve margins on a combined basis. See Tables 20 and 21 in Appendix A of Exhibit CRS-6 for the Companies' forecasted reserve margin data.
- b. The table below contains the assumed firm gas transportation costs for Brown 12 and Mill Creek 6. See Case No. 2025-00045, Direct Testimony of Stuart A. Wilson, Exhibit SAW-1, Table 25 at page 50 for the range of natural gas prices used to evaluate the cost-effectiveness of these units.

Firm Gas Transportation Costs (\$)

Year	Brown 12	Mill Creek 6
2030	9,634,460	17,342,028
2031	9,730,805	17,515,448
2032	9,828,113	17,690,603
2033	9,926,394	17,867,509
2034	10,025,658	18,046,184
2035	10,125,914	18,226,646
2036	10,227,174	18,408,912
2037	10,329,445	18,593,002
2038	10,432,740	18,778,932
2039	10,537,067	18,966,721
2040	10,642,438	19,156,388
2041	10,748,862	19,347,952
2042	10,856,351	19,541,431
2043	10,964,914	19,736,846
2044	11,074,563	19,934,214
2045	11,185,309	20,133,556
2046	11,297,162	20,334,892
2047	11,410,134	20,538,241
2048	11,524,235	20,743,623
2049	11,639,478	20,951,060
2050	11,755,872	6,461,027

- c. The Companies have not yet purchased any gas supply or transportation capacity for Brown 12 or Mill Creek 6. The Companies anticipate purchasing firm transportation capacity for 100% of these units' gas supply, or approximately 105,000 mmBtu/day. The Companies have not determined the proportions of these units' gas supply that they will purchase in forward and day-ahead markets.
- c. The Companies have estimated the planned Mill Creek 6 unit to cost \$2,168/kW.

KENTUCKY UTILITIES COMPANY

**Response to Kentucky Solar Industries Association, Inc.'s Post-Hearing Requests
for Information**

Dated November 12, 2025

Case No. 2025-00113

Question No. 3

Responding Witness: Charles R. Schram

- Q-3. On a company-by-company basis (Kentucky jurisdictional electric operations) for the calendar years 2022, 2023, and 2024, provide the quantity and price for (a) market purchases of energy by month; (b) the market purchases of capacity by month; and (c) the market purchases of transmission by month. If these amounts cannot be provided on a company-by-company basis, supply them for the combined Companies' Kentucky jurisdictional operations.
- A-3. See attachment being provided in a separate file. The values provided are for the combined Companies. Note that market purchases of transmission are used to enable both off system purchases and off system sales.

KENTUCKY UTILITIES COMPANY

**Response to Kentucky Solar Industries Association, Inc.'s Post-Hearing Requests
for Information**

Dated November 12, 2025

Case No. 2025-00113

Question No. 4

Responding Witness: Charles R. Schram

- Q-4. Please describe and quantify the impact of the Companies' plan to not meet their full capacity requirements (i.e., projected peak load plus reserve margin) on off system sales.
- A-4. The Companies have not conducted this analysis. The Companies' transition to a 1-in-10 loss-of-load expectation reserve margin is the reason for the temporary reserve margin deficit. The Companies will continue to pursue off system sales when energy is available and market prices are higher than the cost of generation.

KENTUCKY UTILITIES COMPANY

**Response to Kentucky Solar Industries Association, Inc.'s Post-Hearing Requests
for Information**

Dated November 12, 2025

Case No. 2025-00113

Question No. 5

**Responding Witness: Robert M. Conroy / Michael E. Hornung / Peter W. Waldrab
/ Counsel**

Q-5. Regarding the Stipulation and Recommendation (as amended by the filing on November 5, 2025), please respond to the following requests.

- a. Refer to Section 1.1 (Stay-Out Commitment), 1.2 (Stay-Out Exceptions), and Section 9.13 (Net Metering). Following the issuances of a final Order in the instant cases, do the Companies intend to (next) update their Small and Large Capacity Cogeneration and Power Production Qualifying Facilities ("QF") credit rates prior to August 1, 2028 (the end of the base-rate "stay out" term) for any reason(s) than those identified in Section 1.2(A), Section 1.2(B) (emergency rate relief), and/or Section 1.2(D) (statutory or regulatory change)? If yes, provide the anticipated date of the filing for the next QF credit rate update filing or related tariff filing for updating QF rates and the reason(s) for the filing. If no, please reconcile this position with the Companies' stated intent to file avoided cost rates every two years.¹
- b. Refer to Section 1.1 (Stay-Out Commitment), 1.2 (Stay-Out Exceptions), and Section 9.13 (Net Metering). Please confirm that NMS-2 rates are subject to the stay-out commitment such that the NMS-2 rates proposed through the Stipulation and Recommendation (if accepted and ordered by the Commission) will stay in effect until the effective date of new rates resulting from the Companies' next base rate cases. If this cannot be confirmed, and if the Companies intend to or reserve the right to update NMS-2 rates during the stayout term for any reason(s) other than those identified in Section 1.2(A), Section 1.2(B) (emergency rate relief), and/or Section 1.2(D) (statutory or regulatory change), please fully explain the Companies' position concerning why the NMS-2 rates are not subject to the full term of the stay-out period (through August 1, 2028) including whether

¹ See, for example, Case No. 2020-00349, *Electronic Application of Kentucky Utilities Company for an Adjustment of its Electric Rates, a Certificate of Public Convenience and Necessity to Deploy Advanced Metering Infrastructure, Approval of Certain Regulatory and Accounting Treatments, and Establishment of a One-Year Surcredit*, Order (Ky. P.S.C. Sept. 24, 2021), page 38.

the Companies intend to update such rates every two years and the reason(s) for such bi-annual updates.

- c. Refer to Section 2.3 (Summary Calculation of Electric Revenue Requirement Increases), Section 3.3 (Summary Calculation of Gas Revenue Requirement Increase), and Section 9.13 (Net Metering). Please explain why it is not necessary for the Companies to demonstrate the derivation of the NMS-2 rates agreed upon and recommended by the Companies and the parties to the Stipulation and Recommendation (as amended) in a manner similar to the Summary Calculation of Electric Revenue Requirement Increases per Section 2.3.
- d. Refer to Section 8.3 (Renewable Energy Goals). Please provide a narrative that describes the Companies' study or studies of Distributed Energy Resource Management Systems ("DERs" or "DERMS"). Provide with the response a copy of the Companies' most recent study of the implementation of DERs or DERMS by the Companies, including, if available, the methodology and results related to the evaluation of costs and benefits.
- e. Regarding DERs or DERMS, when do the Companies anticipate implementing DERs or DERMS within their Kentucky certified service territories? If the Companies have already implemented DERs or DERMS within their Kentucky certified service territories, state the date of implementation (by company) and the numbers of participants (by company).
- f. Please identify when the Companies began requiring customers to install DERs- or DERMS-compatible inverters or other equipment on customer-owned generation, and provide the quantity and percentage of customer-generators with such equipment.
- g. Do the Companies characterize their commitment to move forward with the resources approved in Case No. 2025-00045 (the most recent CPCN case) as irreversible? If the commitment for a specific resource is characterized irreversible, please identify the basis for such a characterization. If the commitment is not currently characterized as irreversible, then please state whether and, if applicable, how, the commitment for an approved resource becomes irreversible.

A-5.

- a. The Companies currently anticipate filing updated QF rates and supporting data in October 2027, which would be consistent with the requirements of 807 KAR 5:054 Sec. 5(1)(a), the Commission's Sept. 24, 2021 Order in Case Nos. 2020-00349 and 2020-00350 at page 38 ("Because LG&E/KU intend to refile their avoided cost rates every two years, the Commission

finds that LG&E/KU will refile avoided cost rates beginning in the fall of 2023.”), and the Companies’ filing of such data and rates on October 31, 2023, which the Commission reviewed in Case No. 2023-00404.

- b. The Companies object to this request insofar as it calls for a legal opinion or conclusion. Without waiving their objection, the Companies state that they do not anticipate seeking to change Rider NMS-2 rates during the stay-out period, though they do not agree the rate-case stay-out requires that result.
- c. The Companies object to this request insofar as it calls for a legal opinion or conclusion. Without waiving their objection, the Companies state that they are unaware of any impediment to proposing a settled net metering rate that is the product of negotiation.
- d. As stated during the hearing, the Companies are in the early stages of studying DERMS and have not yet completed technical or financial analyses.
- e. The Companies have not presently committed to implementing DERMS capabilities.
- f. The Companies have required customers to install inverters that are compliant with IEEE1547 and UL1741 since 2019. This compliance ensures that inverters are capable of DERMS integration, but it does not ensure compatibility with all DERMS platforms.
- g. The Companies currently anticipate proceeding with all resources approved by the Commission in Case No. 2025-00045 because they are part of the Companies’ lowest reasonable cost portfolio to serve anticipated customer needs. But the Companies do not have an “irreversible” commitment to construct all the approved resources; changes in cost, anticipated load, environmental constraints, or other factors could make continuing to proceed with one or more such resources imprudent, at which point the Companies would stop moving forward with the resource(s). The same is true for deciding whether to continue operating existing resources. In short, the Companies routinely evaluate their resource portfolio using the best information available at the time to understand what, if any, changes they should make to help ensure ongoing safe and reliable service at the lowest reasonable cost. Currently, proceeding with all the resources approved in Case No. 2025-00045 appears to be reasonable and prudent.

As this applies to determining avoided energy and capacity costs for QF and NMS-2 rates, it is entirely appropriate to assume the Companies will proceed with all resources approved in Case No. 2025-00045. Certainly, the Companies are making that assumption in their own planning; they are

not planning to acquire additional energy or capacity resources as though the resources approved in Case No. 2025-00045 will not proceed. Therefore, it would be inappropriate to formulate QF or NMS-2 rates in these proceedings as though the resources approved in Case No. 2025-00045 would not proceed.