

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

**In the Matter of:**

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

**In the Matter of:**

<b>ELECTRONIC APPLICATION OF</b>	<b>)</b>	
<b>LOUISVILLE GAS AND ELECTRIC</b>	<b>)</b>	<b>CASE NO. 2025-00114</b>
<b>COMPANY FOR AN ADJUSTMENT OF ITS</b>	<b>)</b>	
<b>ELECTRIC AND GAS RATES, AND</b>	<b>)</b>	
<b>APPROVAL OF CERTAIN REGULATORY</b>	<b>)</b>	
<b>AND ACCOUNTING TREATMENTS</b>	<b>)</b>	

**DIRECT TESTIMONY OF**  
**DREW T. MCCOMBS**  
**DIRECTOR, REGULATORY ACCOUNTING**  
**ON BEHALF OF**  
**KENTUCKY UTILITIES COMPANY AND**  
**LOUISVILLE GAS AND ELECTRIC COMPANY**

**Filed: May 30, 2025**

## **TABLE OF CONTENTS**

INTRODUCTION .....	1
ACCOUNTING CHANGES .....	1
SCHEDULES REQUIRED BY 807 KAR 5:001 SECTION 16(7).....	2
SCHEDULES REQUIRED BY 807 KAR 5:001 SECTION 16(8).....	2
CONCLUSION.....	3

1 **INTRODUCTION**

2 **Q. Please state your name, position, and business address.**

3 A. My name is Drew T. McCombs. I am Director of Regulatory Accounting for PPL  
4 Services Corporation, which provides services to Kentucky Utilities Company (“KU”)  
5 and Louisville Gas and Electric Company (“LG&E”) (collectively, the “Companies”).  
6 My business address is 2701 Eastpoint Parkway, Louisville, Kentucky 40223. A  
7 complete statement of my education and work experience is attached to this testimony  
8 as Appendix A.

9 **Q. Have you previously testified before this Commission?**

10 A. No, but I have sponsored and helped prepare data responses filed with this Commission  
11 in numerous cases.

12 **Q. What is the purpose of your direct testimony?**

13 A. The purpose of my testimony is to discuss certain accounting changes and support and  
14 sponsor a number of schedules required by the Commission’s regulations, which  
15 support the Companies’ applications.

16 **ACCOUNTING CHANGES**

17 **Q. Have the Companies implemented any required changes in accounting practices**  
18 **dictated by the Federal Energy Regulatory Commission (“FERC”)?**

19 A. Yes, the Companies have implemented the requirements of FERC Order No. 898,  
20 requiring changes in the financial presentation of certain operation and maintenance  
21 expenses and property, plant, and equipment within the FERC Uniform System of  
22 Accounts. These changes in presentation are reflected within the filing requirements,  
23 effective January 1, 2025, as dictated by FERC Order No. 898. As a result, certain  
24 charges may be presented differently within the base period and forecasted test year.

**SCHEDULES REQUIRED BY 807 KAR 5:001 SECTION 16(7)**

**Q. Are you sponsoring certain information required by 807 KAR 5:001 Section 16(7)?**

A. Yes, I am sponsoring the following information for the corresponding filing requirements:

Section 16(7)(i)	Most recent Federal Energy Regulatory Commission (FERC) or Federal Communications Commission (FCC) audit reports	Tab 39
Section 16(7)(k)	Most recent FERC Form 1 (electric), FERC Form 2 (gas), or PSC Form T (telephone)	Tab 41
Section 16(7)(l)	Annual report to shareholders and statistical supplements	Tab 42
Section 16(7)(m)	Current chart of accounts	Tab 43
Section 16(7)(p)	Security and Exchange Commission annual reports (Form 10-Ks), Form 8-Ks, and Form 10-Qs	Tab 46
Section 16(7)(q)	Independent auditor's annual opinion report, with any written communication from the auditor which indicates the existence of a material weakness in internal controls	Tab 47
Section 16(7)(r)	Quarterly reports to stockholders for most recent five quarters	Tab 48
Section 16(7)(u)	Information related to any amounts charged, allocated, or paid to utility by an affiliate or general or home office	Tab 51

**SCHEDULES REQUIRED BY 807 KAR 5:001 SECTION 16(8)**

**Q. Are you sponsoring certain information required by the Commission's regulation 807 KAR 5:001 Section 16(8)?**

A. Yes, I am co-sponsoring the following information with Heather D. Metts for the corresponding filing requirements:

Section 16(8)(f)	Summary schedules for base and forecasted periods of organizational membership dues; initiation fees; expenditures for country club; charitable contributions; marketing, sales, and advertising; professional services; civic and political activities; employee parties and outings; employee gifts; and rate cases	Tab 59
Section 16(8)(g)	Analyses of payroll costs including schedules for wages and salaries, employee benefits, payroll taxes, straight time and overtime hours, and executive compensation by title	Tab 60
Section 16(8)(i)	Comparative income statements (exclusive of dividends per share or earnings per share) and revenue/sales statistics for the five (5) most recent calendar years from the application filing date, base/forecasted period, plus two (2) calendar years beyond forecast period	Tab 62
Section 16(8)(k)	Comparative financial data and earnings measures for the 10 most recent calendar years, base period, and forecast period	Tab 64

1

### **CONCLUSION**

2     **Q.     Does this conclude your testimony?**

3     **A.     Yes, it does.**

VERIFICATION

COMMONWEALTH OF KENTUCKY )

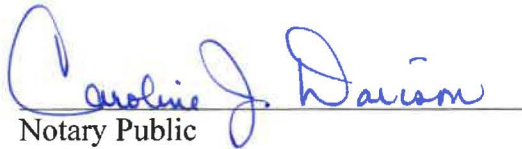
COUNTY OF JEFFERSON )

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 foregoing testimony, 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 28<sup>th</sup> day of May 2025.

  
Notary Public

Notary Public ID No. KYNP63286

My Commission Expires:

January 22, 2027



## **APPENDIX A**

### **Drew T. McCombs**

Director, Regulatory Accounting  
PPL Services Corporation  
2701 Eastpoint Parkway  
Louisville, Kentucky 40223

### **Education**

University of Kentucky	
Bachelor of Science – Accounting	2011
Bachelor of Business Administration – Finance	2011
Graduated Summa Cum Laude	
Certified Public Accountant	2012

### **Professional Experience**

PPL, Director, Regulatory Accounting	2024 - present
LG&E and KU, Director, Utility Accounting	2022 – 2024
LG&E and KU, Manager, Financial Reporting	2016 – 2022
Ernst & Young LLP, Assurance Staff/Senior	2011 – 2016

### **Professional Memberships**

American Institute of Certified Public Accountants (AICPA)  
Edison Electric Institute

- Accounting Standards Committee Member
- FERC Accounting Liaison Committee Member