COMMONWEALTH OF KENTUCKY

BEFORE THE PUBLIC SERVICE COMMISSION

In the Matter of:

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

RESPONSE OF
LOUISVILLE GAS AND ELECTRIC COMPANY
TO
THE ATTORNEY GENERAL AND THE KENTUCKY INDUSTRIAL UTILITY CUSTOMERS' INITIAL REQUEST FOR INFORMATION
DATED JULY 3, 2025

FILED: July 16, 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

Lonnie E. Bellar

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

Caroline J. Davison

Notary Public

Notary Public ID No. KYNP63286

My Commission Expires:

January 22, 2027

CAROLINE J. DAVISON
COMM EXPIRES 01/22/2027
NOTARY PUBLIC
ID # KYNP63286
STATE AT LARGE, KENTUCKY

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

Julissa Burgos

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

Michelle L. Bartolomei

Notary Public

Notary Public, ID No. 1333990 (SEAL)

My Commission Expires: July 10, 2026

Commonwealth of Pennsylvania - Notary Seal
Michelle L. Bartolomei, Notary Public
Lehigh County
My commission expires July 10, 2026
Commission number 1333990
Member, Pennsylvania Association of Notaries

VERIFICATION

COMMONWEALTH OF KENTUCKY)

COUNTY OF JEFFERSON)

The undersigned, **Chad E. Clements**, being duly sworn, deposes and says that he is the Director – Regulated Utility Tax for PPL Services Corporation and currently provides tax related 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 a witness, and that the answers contained therein are true and correct to the best of his information, knowledge, and belief.

Signed by:
Chad Clements
563EC22E6AAC41B...
Chad E. Clements

Subscribed and sworn to before me, a Notary Public in and before said County and State, this 11th day of July 2025.

Caroline J. Davison
Notary Public

Notary Public ID No. KYNP63286

My Commission Expires:

January 22, 2027

CAROLINE J. DAVISON
COMM EXPIRES 01/22/2027
NOTARY PUBLIC
ID # KYNP63286
STATE AT LARGE, KENTUCKY

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

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.

Tammy J. Elzy

Notary Public

Notary Public ID No. KYNP61560

My Commission Expires:

November 9, 2026

TAMMY J. ELZY
COMM EXPIRES 11/09/2026
NOTARY PUBLIC
ID # KYNP61560
STATE AT LARGE, KENTUCKY

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

VERIFICATION

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

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

CAROLINE J. DAVISON
COMM EXPIRES 01/22/2027
NOTARY PUBLIC
ID # KYNP63286
STATE AT LARGE, KENTUCKY

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

TAMMY J. ELZY
COMM EXPIRES 11/09/2026
NOTARY PUBLIC
ID # KYNP61560
STATE AT LARGE, KENTUCKY

VERIFICATION

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

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

CAROLINE J. DAVISON
COMM EXPIRES 01/22/2027
NOTARY PUBLIC
ID # KYNP63286
STATE AT LARGE, KENTUCKY

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

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)

Sarah Hinckley
Commission
157.0016763
Notary Public State of Vermont

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

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.

Tammy J. Elzy

Notary Public

Notary Public ID No. KYNP61560

My Commission Expires:

November 9, 2026

TAMMY J. ELZY
COMM EXPIRES 11/09/2026
NOTARY PUBLIC
ID #KYNP61560
STATE AT LARGE, KENTUCKY

VERIFICATION

COMMONWEALTH OF KENTUCKY)
)
COUNTY OF JEFFERSON)

The undersigned, **Elizabeth J. McFarland**, being duly sworn, deposes and says that she is Vice President, Transmission 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.

Elizabeth J. McFarland

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. KYNP63286

My Commission Expires:

January 22, 2027

CAROLINE J. DAVISON
COMM EXPIRES 1/22/2027
NOTARY PUBLIC
ID # KYNP63286
STATE AT LARGE, KENTUCKY

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

CAROLINE J. DAVISON
COMM EXPIRES 01/22/2027
NOTARY PUBLIC
ID # KYNP63286
STATE AT LARGE, KENTUCKY

VERIFICATION

COMMONWEALTH OF KENTUCKY)
)
COUNTY OF JEFFERSON)

The undersigned, **Shannon L. Montgomery**, being duly sworn, deposes and says she is the Vice President, Customer Services 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.

Shannon L. Montgomery

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. KYNP63286

My Commission Expires:

January 22, 2027

CAROLINE J. DAVISON
COMM EXPIRES 01/22/2027
NOTARY PUBLIC
ID # KYNP63286
STATE AT LARGE, KENTUCKY

VERIFICATION

COMMONWEALTH OF PENNSYLVANIA)
)
COUNTY OF LEHIGH)

The undersigned, **Vincent T. Poplaski**, being duly sworn, deposes and says that he is Vice President Total Rewards 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 foregoing response, and that the answers contained therein are true and correct to the best of his information, knowledge, and belief.

Vint T. Pyh

Vincent T. Poplaski

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

Commonwealth of Pennsylvania - Notary Seal
Sharon L. Fazio, Notary Public
Bucks County
My commission expires January 31, 2027
Commission number 1343431
Member, Pennsylvania Association of Notaries

Sharon L Fazio
Notary Public

Notary Public, ID No. 1343431
(SEAL)

My Commission Expires: 1/31/27

VERIFICATION

COMMONWEALTH OF KENTUCKY)
)
COUNTY OF JEFFERSON)

The undersigned, **Tom Rieth**, being duly sworn, deposes and says that he is Vice President – Gas Operations for Louisville Gas and Electric Company and Kentucky Utilities 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.

____
Tom Rieth

Subscribed and sworn to before me, a Notary Public in and before said County and State, this 11th day of July 2025.

____
Notary Public

Notary Public ID No. KYNP63286

My Commission Expires:

January 22, 2027

CAROLINE J. DAVISON
NOTARY PUBLIC
ID # KYNP63286
STATE AT LARGE, KENTUCKY

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

Charles R. Schram

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

Caroline J. Davison

Notary Public

Notary Public ID No. KYNP63286

My Commission Expires:

January 22, 2027

CAROLINE J. DAVISON
COMM EXPIRES 01/22/2027
NOTARY PUBLIC
ID # KYNP63286
STATE AT LARGE, KENTUCKY

VERIFICATION

COMMONWEALTH OF PENNSYLVANIA	)	
	)	**SS:**
COUNTY OF CUMBERLAND	)	

The undersigned, John J. Spanos, President, being duly sworn, deposes and says that he has personal knowledge of the matters set forth in the foregoing data requests and that the answers contained there are true and correct to the best of his knowledge, information and belief.

John J. Spanos

John J. Spanos Affiant

Subscribed and sworn to before me by John J. Spanos on this 13th day of July, 2025.

Commonwealth of Pennsylvania - Notary Seal
MEGAN LYNN ECKRICH - Notary Public
Cumberland County
My Commission Expires September 16, 2027
Commission Number 1264513

Megan Lynn Eckrich

NOTARY PUBLIC

My Commission Expires: September 16, 2027

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.

Pete W

Peter W. Waldrab

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

Tammy J. Elzy

Notary Public

Notary Public ID No. KYNP61560

My Commission Expires:

November 9, 2026

TAMMY J. ELZY
COMM EXPIRES 11/09/2026
NOTARY PUBLIC
ID # KYNP61560
STATE AT LARGE, KENTUCKY

LOUISVILLE GAS AND ELECTRIC COMPANY

Response to Attorney General and the Kentucky Industrial Utility Customers' Initial Request for Information
Dated July 3, 2025

Case No. 2025-00114

Question No. 1

Responding Witness: Michael E. Hornung / Counsel

Q-1. Reference the Hornung Direct Testimony at 22:12 – 23:7.

a. Provide all factual and legal bases and justification for the Companies' proposal to limit their liability to only gross negligence or willful conduct, in circumstances other than liability resulting from service interruptions.

b. Provide all factual and legal bases and justification for the Companies' proposal to limit their liability to only willful conduct, in circumstances associated with service interruptions.

c. For the past four (4) calendar years, the number of lawsuits (regardless of the courts in which they were filed, whether state or federal) filed against the Companies in which the Companies raised any waiver of liability against the allegations set forth in each such lawsuit. Include in your response any claims brought under the Kentucky Board of Claims in which the Companies raised any such waiver of liability.

d. Do the Companies acknowledge that in Case No. 2020-00350, Order dated June 30, 2021 at 66, the Commission stated:

"<u>Waiver of Liability in Tariff</u>

The Commission is concerned about the number of provision[s] in LG&E's various tariffs limiting LG&E's liability. The Commission is also concerned that the language used in some of these provisions is overbroad. Therefore, the Commission intends to establish a separate proceeding in which to investigate the reasonableness of the limitations on LG&E's liability contained in the terms and conditions found in its tariff provisions."

e. Explain whether the Companies agree that any such waiver of liability would deprive Kentucky courts of jurisdiction.

A-1.

a. The Company objects to this request insofar as it seeks legal arguments and conclusions. Without waiving that objection, see the response to PSC 2-28.

b. The Company objects to this request insofar as it seeks legal arguments and conclusions. Without waiving that objection, see the response to PSC 2-28.

c. The requested information is a matter of public record. The Companies do not have a business purpose for maintaining the requested information in a way that would make it readily accessible; therefore, it is not readily available.

d. The Commission's orders speak for themselves.

e. The Company objects to this request as seeking a legal conclusion.

LOUISVILLE GAS AND ELECTRIC COMPANY

Response to Attorney General and the Kentucky Industrial Utility Customers' Initial Request for Information Dated July 3, 2025

Case No. 2025-00114

Question No. 2

Responding Witness: Robert M. Conroy / Counsel

Q-2. Confirm that in LG&E rate case 2003-00433, the Commission in its Final Order dated June 30, 2004, relying in part on data broken down by NARUC operating expense category, at pp. 51-52, removed 45.35% of LG&E's dues paid to Edison Electric Institute ("EEI"), for a total exclusion of $88,614, because EEI applied that portion of the dues LG&E paid toward: (i) legislative advocacy; (ii) regulatory advocacy; and (iii) public relations [for purposes of these data requests, hereinafter referred to as "covered activities"].

A-2. The Commission's orders speak for themselves.

LOUISVILLE GAS AND ELECTRIC COMPANY

Response to Attorney General and the Kentucky Industrial Utility Customers' Initial Request for Information Dated July 3, 2025

Case No. 2025-00114

Question No. 3

Responding Witness: Christopher M. Garrett / Drew T. McCombs

Q-3. Reference FR 16(8)(f), Sch. F-1. For each of the entities identified therein [hereinafter also referred to as a "Dues Requiring Organization"], and as enumerated in separate subparts below, confirm whether that organization engages in any one or more of the following activities: (i) one or more of the "covered activities" identified above; (ii) advertising; (iii) marketing; (iv) legislative policy research; and (v) regulatory policy research. If so confirmed with regard to any one or more of these organizations, identify that organization and provide the amount of LG&E dues which that organization applies to such activities, both in dollar terms and percentages of total dues.

a. American Gas Association (AGA);

b. Ceati International Inc.;

c. Chartwell Inc.;

d. Class Of 85 Regulatory Response Group;

e. Climate Legal Group;

f. Coal Combustion Residuals;

g. Cross Cutting Issues Group;

h. Edison Electric Institute (EEI);

i. Electric Power Research Institute (EPRI);

j. Energy Wildlife Action Coalition;

k. Kentucky Gas Association;

l. Midwest Ozone Group;

m. North American Transmission Forum Inc.;

n. Power Generators Air Coalition;

o. Southern Gas Association;

p. Southeastern Electric Exchange;

q. Utility Information Exchange Of Kentucky Membership

r. Utility Solid Waste Activities Group (USWAG);

s. Utilities Technology Council;

t. Utility Water Act Group (UWAG);

u. Waterways Council

A-3.

a. American Gas Association (AGA) engages in covered activities. For the test period, 3.8% of AGA dues or $10,630 are non-recoverable.

b. Ceati International Inc. does not engage in covered activities.

c. Chartwell Inc does not engage in covered activities.

d. Class Of 85 Regulatory Response Group does not engage in covered activities.

e. Climate Legal Group does not engage in covered activities.

f. Coal Combustion Residuals does not engage in covered activities.

g. Cross Cutting Issues Group does not engage in covered activities.

h. Edison Electric Institute (EEI) engages in covered activities. For the test period, 13.8% of EEI dues or $51,885 are non-recoverable for LG&E.

j. Electric Power Research Institute (EPRI) does not engage in covered activities.

k. Energy Wildlife Action Coalition does not engage in covered activities.

l. Kentucky Gas Association does not engage in covered activities.

m. Midwest Ozone Group does not engage in covered activities.

n. North American Transmission Forum Inc does not engage in covered activities.

o. Power Generators Air Coalition does not engage in covered activities.

p. Southeastern Electric Exchange does not engage in covered activities.

q. Utility Information Exchange of Kentucky Membership does not engage in covered activities.

r. Utility Solid Waste Activities Group (USWAG) engages in covered activities. For the test period, 1% of USWAG dues or $425 are non-recoverable for LG&E.

s. Utilities Technology Council engages in covered activities. For the test period, 5% of Utilities Technology Council or $636 are non-recoverable.

t. Utility Water Act Group (UWAG) does not engage in covered activities.

u. Waterways Council engages in covered activities. For the test period, 46% of Waterways Council dues or $2,484 are non-recoverable for LG&E.

LOUISVILLE GAS AND ELECTRIC COMPANY

Response to Attorney General and the Kentucky Industrial Utility Customers' Initial Request for Information Dated July 3, 2025

Case No. 2025-00114

Question No. 4

Responding Witness: Christopher M. Garrett / Drew T. McCombs

Q-4. Provide the amount of funding that EEI provides to UARG, USWAG, and UWAG.

A-4. The Company is not aware of the specific breakdown of how EEI spends the dues it collects beyond the information EEI provides in its invoice. See the response to Question No. 11. The Company has excluded the associated lobbying portion of dues based on the information provided from EEI.

LOUISVILLE GAS AND ELECTRIC COMPANY

Response to Attorney General and the Kentucky Industrial Utility Customers' Initial Request for Information Dated July 3, 2025

Case No. 2025-00114

Question No. 5

Responding Witness: Christopher M. Garrett / Drew T. McCombs

Q-5. Regarding LG&E's dues paid to the AGA, provide the percentage of those dues which go to the following:

a. Public Affairs activities, including but not limited to: (i) providing members with information on legislative developments; (ii) preparing testimony, comments, and filings regarding legislative activities; and (iii) lobbying on behalf of the industry; and

b. Political Contributions;

c. Media Communications, including but not limited to: (i) institutional advertising to enhance the image of the gas industry; (ii) general promotional advertising to promote the use of natural gas over other resources; (iii) gas-fired equipment promotions, including residential equipment such as boilers, furnaces, ranges, water heaters; (iv) commercial and industrial gas equipment; and (v) promotions of Power Generation gas equipment.

A-5.

a.-c. See the response to Question No. 6. The Company is not aware of the specific allocation of how the AGA spends the dues it collects beyond the breakdown the AGA provides. The Company has excluded the appropriate amount of unrecoverable dues based on the information provided from the AGA.

LOUISVILLE GAS AND ELECTRIC COMPANY

Response to Attorney General and the Kentucky Industrial Utility Customers' Initial Request for Information Dated July 3, 2025

Case No. 2025-00114

Question No. 6

Responding Witness: Christopher M. Garrett / Drew T. McCombs

Q-6. State whether the AGA continues to break out dues that its members pay by operating expense category, as was provided in LG&E's responses to post-hearing data requests, item no. 11, in Case No. 2003-00433.[1] Provide the most recent such break-out.

A-6. Yes, see attachment being provided in a separate file.

[1] Accessible at: https://psc.ky.gov/PSCSCF/2003%20cases/2003-00434/KU_Response_051704.pdf

LOUISVILLE GAS AND ELECTRIC COMPANY

Response to Attorney General and the Kentucky Industrial Utility Customers' Initial Request for Information Dated July 3, 2025

Case No. 2025-00114

Question No. 7

Responding Witness: Christopher M. Garrett / Drew T. McCombs

Q-7. State whether any portion of LG&E's dues paid to the AGA, Southern Gas Association, and/or the Kentucky Gas Association are used by those organizations for any one or more of the following:

a. public affairs and/or lobbying;

b. media communications and national advertising;

c. institutional advertising to enhance the image of the gas industry;

d. general promotional advertising to promote the use of natural gas over other resources;

e. gas-fired equipment promotions, including residential equipment such as furnaces, ranges, water heaters, commercial and industrial gas equipment; and/or

f. promotions of power generation gas equipment.

A-7. The AGA engages in one or more of the identified activities. The Company is not aware of the specific allocation of how the AGA spends the dues it collects beyond the breakdown the AGA provides. See the response to Question No. 6. The Southern Gas Association and Kentucky Gas Association do not engage in the identified activities.

LOUISVILLE GAS AND ELECTRIC COMPANY

Response to Attorney General and the Kentucky Industrial Utility Customers' Initial Request for Information Dated July 3, 2025

Case No. 2025-00114

Question No. 8

Responding Witness: Christopher M. Garrett / Drew T. McCombs

Q-8. Explain whether the Companies pay any dues or membership fees to law firms or trade groups which maintain an affiliate engaged in any covered activities.

a. Explain whether Hunton & Williams LLP, and Venable LLP are two such law firms. If so, explain whether any such dues or fees are included as above-the-line expenses in the applications in Case Nos. 2020-00349 and/or 2020-00350.

A-8. Coal Combustion Residuals ("CCR") Legal Resources Group and New Source Review ("NSR") Legal Resources Group are billed through Hunton Andrews Kurth LLP (formerly Hunton & Williams LLP). Neither are engaged in covered activities. The fees the Companies paid related to CCR and NSR are for legal services performed by Hunton Andrews Kurth on behalf of many utilities. These utilities share the cost of these legal services.

LOUISVILLE GAS AND ELECTRIC COMPANY

Response to Attorney General and the Kentucky Industrial Utility Customers' Initial Request for Information Dated July 3, 2025

Case No. 2025-00114

Question No. 9

Responding Witness: Christopher M. Garrett / Drew T. McCombs

Q-9. If any affiliate of the Companies pays dues to one or more Dues Requiring Organizations, and a jurisdictional portion of those dues are charged back to the Companies, explain whether the dues are being recovered in rates, the amounts thereof, and precisely where they can be found in the application.

A-9. FR 16(8)(f) provides the breakdown of recoverable and nonrecoverable dues which includes payments made directly by the Company as well as its affiliates.

LOUISVILLE GAS AND ELECTRIC COMPANY

Response to Attorney General and the Kentucky Industrial Utility Customers' Initial Request for Information Dated July 3, 2025

Case No. 2025-00114

Question No. 10

Responding Witness: Christopher M. Garrett / Drew T. McCombs

Q-10. Provide copies[2] of Annual Reports of EEI, and of every other Dues Requiring Organization identified in FR 16(8)(f), Sch. F-1, for each year since the conclusion of the Companies' 2020 rate cases.

A-10. The Company does not collect and retain the requested information for its corporate files. The documents requested would require an expensive and burdensome electronic search and the Company has not performed a search of relevant documents on the internet or web sites of the referenced entities. The requested information is thus not readily available.

[2] Links to web sites containing open access to the reports will suffice.

LOUISVILLE GAS AND ELECTRIC COMPANY

Response to Attorney General and the Kentucky Industrial Utility Customers' Initial Request for Information Dated July 3, 2025

Case No. 2025-00114

Question No. 11

Responding Witness: Christopher M. Garrett / Drew T. McCombs

Q-11. Provide a complete copy of invoices received from each Dues Requiring Organization since the conclusion of the Companies' 2020 rate cases.

A-11. See attachment being provided in a separate file. The files are invoices spanning June 2020 through May 2025 received from Organization Memberships. To be consistent with FR 16(8)(f), Sch. F-1, only those invoices above $5,000 are being provided.

LOUISVILLE GAS AND ELECTRIC COMPANY

Response to Attorney General and the Kentucky Industrial Utility Customers' Initial Request for Information
Dated July 3, 2025

Case No. 2025-00114

Question No. 12

Responding Witness: Christopher M. Garrett / Drew T. McCombs

Q-12. Confirm that since 2007, EEI no longer prepares a breakout of its activities by NARUC operating expense category.

a. For each rate case since 2007, provide the allocation the Companies utilized in determining the exclusion of particular EEI dues.

b. Provide a narrative explanation of the bases used for each rate case allocation provided in response to subpart a., above.

A-12. LG&E does not rely upon any NARUC reports or other studies for the exclusion from or inclusion in rates of a portion of any organization dues. LG&E relies upon information provided on the invoices received from any organization in order to determine the portion of dues that should be excluded from rates.

a. See attachment being provided in a separate file.

b. The invoices received from EEI are used to determine the allocation used for ratemaking purposes.

LOUISVILLE GAS AND ELECTRIC COMPANY

Response to Attorney General and the Kentucky Industrial Utility Customers' Initial Request for Information Dated July 3, 2025

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Question No. 13

Responding Witness: Christopher M. Garrett / Drew T. McCombs

Q-13. Provide any and all documents in the Companies' possession that depict how each Dues Requiring Organization spends the dues it collects from the Companies, including the percentage that applies to all covered activities.

A-13. See the responses to Question Nos. 10 and 11.

LOUISVILLE GAS AND ELECTRIC COMPANY

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Question No. 14

Responding Witness: Christopher M. Garrett / Drew T. McCombs

Q-14. Provide a detailed description of the services each Dues Requiring Organization provided to the Companies since the conclusion of the Companies' 2020 rate cases. Of these services or benefits, identify which ones accrue directly to ratepayers, and how

A-14. Company employees participate in various industry associations and organizations as presented in FR 16(8)(f), Sch. F-1 to gain knowledge, training, timely information and experience throughout the industry to allow for the Company to provide service to its customers in the most economical, cost effective, safe, and reliable manner. The gaining of industry knowledge through these associations benefits customers through the use of best practices in providing services.

American Gas Association (AGA) services include:

Communications develops informational material for member companies and consumers and coordinates media activity. Educates the public on the safety and benefits of natural gas.

Corporate Affairs provides opportunities for interaction between member companies and the financial community. The focus is to promote interest in the investment opportunities in the industry.

Energy Markets, Analysis, and Standards includes:

1. Energy Markets provides insight and analysis on emerging policies and actions that have the potential of impacting natural gas distribution companies and their customers.

2. Energy Analysis provides analytical support to key areas of focus including natural gas market fundamentals, local gas utility operations and financial performance, general industry data, critical gas supply/demand developments, winter heating season planning, energy efficiency, greenhouse gas emissions, and other environmental issues.

3. Standards support the development of building energy codes and standards that help enhance natural gas safety.

General and Administrative includes:

1. Office of the President provides senior management guidance for all AGA activities.

2. Human Resources develops and administers employee programs and provides office and personnel services.

3. Finance and Administration develops and administers financial accounting and treasury services and maintains computer services capability.

General Counsel and Regulatory Affairs includes:

1. General Counsel provides legal counsel to the Association.

2. Regulatory Affairs provides members with information on FERC and regulatory developments; prepares testimony, comments, and filings regarding regulatory activities.

Government Affairs and Public Policy provides members with information on legislative developments; prepares testimony, comments, and filings regarding legislative activities, lobbies on behalf of the industry and its customers to achieve the Association's advocacy priorities.

Industry Finance and Administration develops and implements programs in such areas as accounting, human resources, and risk management for member companies.

Operations and Engineering develops and implements programs and practices to meet the operational, safety, and engineering needs of the industry.

<u>Ceati International Inc. (CEATI)</u> - CEATI is a solution-driven network for power industry professionals. CEATI provides its members with practical research, expert guidance, and forums for knowledge exchange. Utility-only interest groups offer a unique setting for members to share experiences and work together on issues spanning all critical areas of power generation, transmission, and distribution.

CEATI facilitates collaborative R&D projects, customized workshops and training programs, benchmarking, webinars, and industry conferences that bring together leaders and practitioners to learn from each other and outside experts. Additionally, CEATI's library of 2,200+ technical reports and guidance documents reflects more than 35 years of client-driven research. CEATI's trusted business model enables power industry professionals to confidentially share experiences and address issues pertinent to day-to-day operations, maintenance, and planning.

Chartwell Inc. - Chartwell Inc. is a member of the outage communications leadership council which is an organization for electric, gas and water companies across the country focused on improving communications with customers before, during, and after a power outage. Through member and customer surveys, Chartwell provides in depth research and sharing of best practices at annual conferences, monthly virtual meetings and case studies in regards to utilization of technology, information and processes to assist members in identifying the most effective and efficient solutions.

Class Of 85 Regulatory Response Group - This group participates on behalf of its members collectively in Clean Air Act ("CAA") administrative proceedings that affect electric generators and in litigation arising from those proceedings.

Climate Legal Group - CLRG is an industry group that monitors general regulatory and litigation developments relating to climate change and serves as a forum to discuss the implications of such developments. All benefits of membership accrue to the ratepayers by permitting the Company to better assess the potential impact of developments in the area and tailor its business plan to minimize business risk and ensure compliance on a least cost basis.

Coal Combustion Residuals - This is a group of utilities that have retained common counsel that monitor developments and assess potential liability in the areas of coal combustion residuals and new source review. Retaining common counsel and sharing costs for legal services among a group of utilities reduces costs.

Cross Cutting Issues Group (CCIG) - CCIG focuses primarily on water, wildlife and waste issues affecting the power sector. CCIG members are located throughout the country and own and operate a diverse portfolio of generating assets. This group equips members with effective tools in advocacy, as well as avenues to track new legislation, regulatory initiatives and litigation trends.

Edison Electric Institute (EEI) - The Edison Electric Institute (EEI) is the association that represents all U.S. investor-owned electric companies. EEI provides public policy leadership, strategic business intelligence, and essential conferences and forums.

Electric Power Research Institute (EPRI) - EPRI is a non-profit research consortium providing science and technology solutions for the benefit of utility members, their customers, and society. Funding annual Technology Research and Analysis activities is an expected and prudent activity recognized by the Kentucky Public Service Commission. EPRI has organized and provided this activity for member utilities since its founding in 1973. EPRI provides a collaborative research model that provides LG&E and KU leverage on their investment of approximately 20:1. Cutting edge research keeps LG&E and KU aware of significant technology changes and applications to improve operations.

Energy Wildlife Action Coalition (EWAC) - The EWAC is dedicated to assisting members in the management of natural resources issues associated with the development, generation, transmission, or sale of electricity. EWAC's primary mission is to promote public policies that are based on sound science, protective of wildlife and natural resources, practical, and efficient. EWAC's members share industry experiences and practices that span individual companies, states, and regions; develop common approaches to species and habitat conservation; examine federal and state conservation policies and provide industry perspectives to regulators and lawmakers to find practical and effective approaches to conservation. EWAC members share their collective expertise to analyze complex and technical environmental regulations to meet customers' expectations for reliable, affordable, and increasingly clean energy. Sharing membership resources and expertise allows EWAC members to maximize these efforts cost-effectively.

Kentucky Gas Association - The KGA supports the natural gas industry in the commonwealth. The KGA provides leadership and professionalism through educational and training opportunities, which improve industry safety, customer service, and natural gas efficiency. The KGA disseminates industry related information and technical data and advances and promotes safety in the areas of production, transmission, distribution, and sale of and use of natural gas. The KGA also monitors legislation in the Commonwealth and works to educate the membership about legislation that pertains to the natural gas community.

Midwest Ozone Group - MOG is an affiliation of companies, trade organizations, and associations which have drawn upon their collective resources to advance the objective of seeking solutions to the development of a legally and technically sound national ambient air quality program. It is the primary goal of MOG to work with policy makers in evaluating air quality policies by encouraging the use of sound science. As members of the business community, the MOG membership also has a keen interest in assuring that policy makers are appropriately assessing the data and information required to accurately evaluate its emission control strategies.

North American Transmission Forum Inc. (NATF) - The NATF members advance industry performance by sharing detailed and timely information, including lessons learned and superior practices; providing constructive peer challenge to foster effective and efficient reliability improvement; and ensuring the focus and commitment of members' senior leadership. The NATF leverages technology for speed and efficiency, and teams of subject matter experts (SMEs) can be assembled quickly to respond to member needs and issues. SMEs interact through a private web portal, Internet meetings, online surveys, and conference calls. Periodic face-to-face meetings build working relationships and allow knowledge transfer on key reliability issues. Onsite peer reviews, conducted by teams of up to 25 reliability professionals, offer direct, confidential feedback and constructive opinions.

Power Generators Air Coalition (PGen) - The main activities of PGen are: (a) to keep abreast of developments in the air and climate fields and how those developments are impacting power generators, and (b) to help its members communicate their perspective on these issues in the regulatory process. PGen as an organization does not participate in legislative lobbying or litigation.

Southern Gas Association - The SGA is a natural gas trade association with the mission of advancing the natural gas industry and individuals by linking people, ideas, and information. Committees and volunteers organize workshops, roundtables, webinars, conferences, and joint industry projects. The SGA helps to advance the gas industry for a safe and sustainable future.

Southeastern Electric Exchange (SEE) - SEE is a non-profit, non-political trade association of investor-owned electric utility companies. The mission of the SEE is to promote the common interests and growth of its members, to develop and enhance the human, operational, and technical resources of member companies, and to provide coordination of storm restoration services to impacted member communities. This mission is accomplished through the work of 25 member-driven working groups. Each group plans and implements training meetings, workshops, seminars, or conferences. Working groups often provide a means to present a consensus opinion to national standards-making organizations. One working group coordinates the storm restoration resources for the member companies. Typical yearly activities include 30 working group meetings, 150-175 benchmarking/best-practices surveys, an annual conference and trade show, and coordination of regional and national mutual assistance events as necessary

Utility Information Exchange Of Kentucky Membership (UIEK) - The UIEK is a voluntary organization consisting of representatives from the electric generating utilities in the Commonwealth of Kentucky. For more than 30 years, UIEK has provided input to regulatory authorities on key environmental regulatory issues affecting its member companies.

Utility Solid Waste Activities Group (USWAG) - USWAG is responsible for addressing solid and hazardous waste issues on behalf of the utility industry. USWAG was formed in 1978, and is a trade association of over 110 utility operating companies, energy companies and industry associations, including the Edison Electric Institute (EEI), the National Rural Electric Cooperative Association (NRECA), the American Public Power Association (APPA), and the American Gas Association (AGA). USWAG engages in regulatory advocacy pertaining to RCRA, TSCA, and HMTA. USWAG's mission is to address the regulation of utility wastes, byproducts and materials in a manner that protects human health and the environment and is consistent with the business needs of its members.

Utilities Technology Council (UTC) – The UTC is a global association focused on the intersection of telecommunications and utility infrastructure. The UTC provides information, products and services that help members manage their telecommunications and information technology more effectively and efficiently,

Utility Water Act Group (UWAG) - UWAG is a voluntary, non-profit, unincorporated group of 147 individual energy companies and three national trade associations of energy companies: the Edison Electric Institute, the National Rural Electric Cooperative Association, and the American Public Power Association. The individual energy companies operate power plants and other facilities that generate, transmit, and distribute electricity to residential, commercial, industrial, and institutional customers. UWAG's purpose is to participate on behalf of its members in EPA's rulemakings under the Clean Water Act and in litigation arising from those rulemakings.

Waterways Council (WCI) - WCI is a national organization that advocates for a modern, efficient, and well-maintained inland waterways system, including lock and dam infrastructure, and channel maintenance. Investment in the modernization of infrastructure on the inland waterways and the on-going maintenance of this system are needed to continue to reliably serve this piece of the nation's transportation supply chain, while facilitating the safest, most fuel-efficient, and environmentally friendly transportation mode for essential commodities. These recent modernization projects and on-going maintenance activities at locks and dams on the Ohio River have improved the reliability of the delivery of all commodities, including coal and limestone, on the Ohio River. Our ratepayers benefit from having this reliable and least cost mode of transportation available for the majority of the coal and limestone used to generate their electricity.

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Question No. 15

Responding Witness: Christopher M. Garrett / Drew T. McCombs

Q-15. Have the Companies included in operating expenses any amount for: (i) EEI Media Communications, and (ii) any similar division of any other Dues Requiring Organization?

a. If so, state the amount, indicate in which account this has been recorded, and provide a citation to any and all Commission Orders or other authority upon which the Companies are relying for the inclusion of such expense in the test period.

b. If not, provide an estimate of how much of the Companies' dues are being spent on media or public relations work.

A-15. As stated in the response to Question No. 12, the Company has excluded the associated lobbying portion of dues based on the information provided on the invoice from EEI.

LOUISVILLE GAS AND ELECTRIC COMPANY

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Case No. 2025-00114

Question No. 16

Responding Witness: Christopher M. Garrett / Drew T. McCombs

Q-16. State whether the Companies are aware whether any portion of the dues they pay to any Dues Requiring Organization are utilized to pay for any of the following expenditures, and if so, provide complete details:

a. Influencing federal or Kentucky legislation;

b. Any media advertising campaigns backing the Companies' or the Dues Requiring Organization's position on net metering;

c. Expenditures on "We Stand For Energy," or "Defend My Dividend," public relations, advocacy efforts or other covered activities;

d. Contributions from EEI, EPRI or other Dues Requiring Organizations to third-party organizations and contractors including any of the expenditures identified in a. – c., above.

A-16. The Company has excluded the associated lobbying portion of dues based on the information provided on the invoice from EEI. EPRI does not engage in any covered activities.

LOUISVILLE GAS AND ELECTRIC COMPANY

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Question No. 17

Responding Witness: Christopher M. Garrett / Drew T. McCombs

Q-17. Since the conclusion of the Companies' 2020 rate cases, how much has EEI paid for its efforts to "rebrand" the utility industry? Include in your response payments to external public relations firms as well as the associated salary to any EEI staff involved in contracting, coordinating with, or promulgating internally or externally the rebranding campaign effort.

A-17. The Company does not collect and retain the requested information for its corporate files. The requested information is thus not readily available.

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Case No. 2025-00114

Question No. 18

Responding Witness: Christopher M. Garrett / Drew T. McCombs

Q-18. Provide the most recent EEI documents discussing "Results in Review," and "Corporate Goals."

A-18. The Company does not collect and retain the requested information for its corporate files. The requested information is thus not readily available.

LOUISVILLE GAS AND ELECTRIC COMPANY

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Question No. 19

Responding Witness: Christopher M. Garrett / Drew T. McCombs

Q-19. Provide EEI's most recent IRS Form 990.

A-19. EEI's most recent IRS Form 990 is available through the IRS's Tax Exempt Organization Search at Tax Exempt Organization Search | Internal Revenue Service.

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Question No. 20

Responding Witness: Christopher M. Garrett / Drew T. McCombs

Q-20. Do the Companies' EEI dues contribute to the salary, benefits and expenses of the EEI Executive Vice President for Public Policy and External Affairs, or any other EEI officer or employee who has led an effort EEI undertook to rebrand the utility industry?

A-20. The Company does not collect and retain the requested information for its corporate files. The requested information is thus not readily available.

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Question No. 21

Responding Witness: Christopher M. Garrett / Drew T. McCombs

Q-21. Do any of the Companies' personnel actively participate on Committees and/or perform any other work for any Dues Requiring Organization or any other industry organization to which one or both Companies belong, including but not limited to EEI?

a. If so, state specifically which employees participate, how they are compensated for their time (amount and source of compensation), and the purpose and accomplishments of any such association related work.

b. List any and all reimbursements received from industry associations, for work performed for such organizations by the Companies' employees.

A-21. Company employees participate in various industry associations and organizations to gain knowledge, training, timely information and experience throughout the industry to allow for the Company to provide service to its customers in the most economical, cost effective, safe, and reliable manner. The gaining of industry knowledge through these associations benefits customers through the use of best practices in providing services. The Company is not aware of any employees that have been compensated for their work for any Dues Requiring Organization or industry organization.

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Question No. 22

Responding Witness: Elizabeth J. McFarland / Peter W. Waldrab

Q-22. For each proposed project involving: (i) smart grid / grid enhancement (both distribution and transmission); (ii) Distribution System Hardening; (iii) Transmission System Hardening in the instant docket, provide all cost-benefit analyses the Companies may have conducted, in native Excel spreadsheets, with all formulas intact.

A-22. See attachments being provided in separate files.

LOUISVILLE GAS AND ELECTRIC COMPANY

Response to Attorney General and the Kentucky Industrial Utility Customers' Initial Request for Information Dated July 3, 2025

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Question No. 23

Responding Witness: Peter W. Waldrab

Q-23. Reference the Waldrab testimony generally. Explain whether the Companies are investigating the use of advanced technologies such as LIDAR, artificial intelligence, and satellite monitoring to reduce costs in vegetation management. For example, in the article cited in the footnote below,[3] the author discusses how prudent use of such technologies can create a pro-active, predictive approach to vegetation management that can both improve reliability and reduce costs.

A-23. The Company continues to proactively explore and assess various emerging technologies for its potential to enhance safety, reliability, and cost efficiency. These technological advancements are still maturing, and some have proven to be more useful than others. The Companies are using vegetation risk modeling, which predicts the likelihood and consequence level of vegetation impacting overhead lines using aerial imaging, topological models, and machine learning models. These models have proven to be valuable in informing routine trim and hazard tree identification. The company currently utilizes LIDAR technology on transmission lines greater than 200kv assisting with FAC-003-4 compliance. Other technologies such as tree species identification through satellite imagery have failed to deliver reliable results.

[3] https://issuu.com/docs/78b84a041a64158a3f104aca2849c1a5/22?fr=xKAE9_zMzMw&oly_enc_id=0715D6334267J7U

LOUISVILLE GAS AND ELECTRIC COMPANY

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Question No. 24

Responding Witness: Robert M. Conroy / Michael E. Hornung / Timothy S. Lyons

Q-24. Reference the Waldrab testimony at 31-33. Describe the ratemaking treatment the Companies have provided for publicly accessible EV charging stations. Include in your response: (i) Do shareholders pay any portion of the expenses associated with these stations? (ii) Which class(es) of ratepayers contribute to these costs? (iii) How are these costs allocated among the ratepayer classes?

A-24.

i) Shareholders provide capital funding and working capital needs for the installation of the EV charging stations.

ii) The class cost of service study directly assigns to the Electric Vehicle (EV) rate class plant investments and O&M expenses related to the EV charging stations. See attachment "2025 PSC DR1 LGE Attach to Q54 - LGE EV Direct Assignments.xlsx" to LGE's response to PSC 1-54 for the EV plant investments and O&M expenses.

iii) See pages 379-384 of Exhibit TSL-6 in Mr. Lyons Direct Testimony that shows direct assignment of EV plant investments and O&M expenses. These costs are assigned only to EV rate class. See also pages 15-16 of Exhibit TSL-6 in Mr. Lyons Direct Testimony that shows direct assignment of EV plant investments to the EV rate class. In contrast to prior cases, the Companies have not imputed revenues to bring the class rate of return for EV in the Companies' cost of service studies up to the overall rate of return on rate base proposed by the Companies in these proceedings.

LOUISVILLE GAS AND ELECTRIC COMPANY

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Question No. 25

Responding Witness: Tom C. Rieth

Q-25. Reference the Reith testimony at 14. Confirm that implementing the proposed Pipeline Safety Management System (PSMS) is wholly voluntary.

a. Provide the amount of expense included in the test year for the PSMS.

b. Provide the total projected costs of the PSMS.

A-25. Implementation of a Pipeline Safety Management System framework is not currently a federal or state regulatory mandate.

While not yet required, the pipeline industry is moving to using a PSMS framework as indicated by the following:

- Congress is monitoring the pipeline industry's progress of PSMS implementation as outlined in Section 205 of the PIPES Act of 2020.
- For over a decade, the National Transportation Safety Board has recommended that pipeline operators implement a PSMS.
- PHMSA Advisory Bulletin (ADB-2025-01) - Pipeline Safety Management System, issued in the Federal Register on March 25,2025, promotes adoption of a PSMS.
- The American Gas Association member companies, including LG&E, has made a commitment to enhance the safety of the natural gas industry through implementation of PSMS.

a. $ 1,281,972

b. The total projected cost of the fully mature program is projected to be approximately $1,700,000 annually.

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Question No. 26

Responding Witness: Tom C. Rieth

Q-26. Reference the Reith testimony at 14: 15-23. Of the ten (10) components identified therein, confirm that LG&E is now, and has been performing each such component, prior to implementing any portion of the PSMS.

A-26. LG&E has previously implemented various safety practices and programs, however, a Pipeline Safety Management System (PSMS) as outlined in API Recommended Practice (RP) 1173, represents a more proactive, systematic and integrated approach to safety management for pipeline operations. This has required new work by LG&E to achieve its current maturity level and additional work will be required for full maturity.

LOUISVILLE GAS AND ELECTRIC COMPANY

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Question No. 27

Responding Witness: Tom C. Rieth

Q-27. Reference the Reith testimony at 8:1-4, where he discusses an analysis LG&E undertook to "look for opportunities to enhance its operating efficiencies." If any documents, reports, analyses or studies were created in this regard, provide a copy of all such documents.

A-27. LG&E does not have documents responsive to this request. LG&E continuously reviews its operations for efficiency opportunities and incorporated into the annual business planning process. The efficiency achieved with line locating services noted in Rieth's testimony on page 8: 5-20 is an example of such an efficiency.

LOUISVILLE GAS AND ELECTRIC COMPANY

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Question No. 28

Responding Witness: Lonnie E. Bellar / Heather D. Metts

Q-28. Provide the total of expenses included in the test period for each of the 120 MW Marion Solar facility, and the 120 MW Mercer Solar facility.

A-28. LG&E's costs included in the test year for the 120 MW Marion Solar facility consist of an average CWIP balance of $548,360. LG&E's capital costs in the test year for the 120 MW Mercer Solar facility were removed in the CPCN New Gen Pro Forma on Schedule B. Mercer Solar facility has $333,000 of O&M primarily related to property maintenance in the test period.

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Question No. 29

Responding Witness: Robert M. Conroy / Charles R. Schram

Q-29. Provide the total of expenses included in the test period, if any, pertaining in any way to any and all of the six (6) solar Purchase Power Agreements (PPAs). Include in your response any and all engineering studies and transmission interconnection planning and connection work.

A-29. There are no expenses associated with the six solar Purchase Power Agreements included in the forecasted test period.

LOUISVILLE GAS AND ELECTRIC COMPANY

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Question No. 30

Responding Witness: Lonnie E. Bellar / Christopher M. Garrett / Heather D. Metts

Q-30. Reference the Bellar testimony at 2. Confirm that none of PPL's costs in acquiring The Narragansett Electric Company are included for recovery in the LG&E-KU test years.

A-30. The Companies confirm there are no costs related to the acquisition of The Narragansett Electric Company included in the test year.

LOUISVILLE GAS AND ELECTRIC COMPANY

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Question No. 31

Responding Witness: Lonnie E. Bellar

Q-31. Reference the Bellar testimony at 8-9. Provide all studies and cost-benefit analyses the Companies may have conducted regarding the potential Lewis Ridge Pumped Storage Project. Explain also whether this project is intended to be closed-loop.

A-31. See the attachment being provided in a separate file, which is identical to the file provided in Case No. 2025-00045 in Exhibit SAW-2 at "Screening\ CONFIDENTIAL_20250201_ResourceScreeningModel_2025CPCN_0336.xlsx ." The information requested is confidential and proprietary and is being provided under seal pursuant to a petition for confidential protection.

To date additional studies have not been conducted as the requested project funding would allow the Companies to perform due diligence studies in an effort to fully evaluate the feasibility to acquire the Lewis Ridge Pump Storage project. The project is intended to be closed loop.

LOUISVILLE GAS AND ELECTRIC COMPANY

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Question No. 32

Responding Witness: Lonnie E. Bellar

Q-32. Explain whether any of the Companies' generation resources under construction, and those currently proposed will have black start capability. Explain also whether any of the Companies' existing facilities have black start capability.

A-32. None of the Companies' generation resources under construction are currently intended to have black start capability. Companies' existing facilities with black start capability consist of Cane Run (Diesel Units) for LG&E and Dix Dam for KU. From a system perspective the Cane Run and Dix Dam black start capability would be utilized to restore the LKE system, inclusive of new generation resources being constructed, as needed.

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Question No. 33

Responding Witness: Andrea M. Fackler / Charles R. Schram

Q-33. Reference Schedule N, Bill Comparisons, sponsored by witness Fackler. Explain all reasons why the average KU customer's usage of 1,085 kWh is so much higher than the average LG&E customer's usage of 866 kWh. Include in your response whether KU has any greater line loss than LG&E.

A-33. The primary reason for this difference is the higher penetration of residential customers having natural gas service in the LG&E service territory. Thus, there are more KU customers having electric space heating, water heating, and cooking, which results in a higher average electricity usage-per-customer in the winter for KU residential customers.

While line losses on the KU system are slightly higher than those on the LG&E system, line losses play no part in the customer usage difference discussed in this question because Schedule N uses metered sales volumes.

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Question No. 34

Responding Witness: Drew T. McCombs

Q-34. For all payments to vendors the Companies make with its own credit cards, provide the total amount of points or credits the Company has accrued from the credit card issuer for each of the past three years, and provide the accounting and journal entries for these credits.

a. Explain whether any employees are allowed to accrue points or any other remuneration arising from use of company credit cards.

A-34. See attachment being provided in a separate file.

a. Employees are not allowed to accrue points or any other remuneration arising from the use of company credit cards.

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Question No. 35

Responding Witness: Robert M. Conroy / Christopher M. Garrett

Q-35. Refer to the Application generally. Explain whether there is any corporate jet expense included in the pending revenue requirement, either incurred by LG&E and/or KU, or allocated to the Companies. If so: (i) identify precisely where in the application and supporting documents it is located; (ii) provide the monetary amount that is included; and (iii) indicate whether the amount is incurred directly by LG&E and/or KU or allocated to the Companies. For each allocated expense, identify the name of the company that is allocating the expense to LG&E and/or KU.

A-35. There are no corporate jet expenses that are incurred by LG&E and/or KU or allocated to the Companies.

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Question No. 36

Responding Witness: Drew T. McCombs

Q-36. For each Company, provide a trial balance of all income statement and balance sheet accounts for each month December 2023 through the most recent month in 2025 with available data. Provide a detailed description of the costs included in each account, including all subaccounts, whether or not specifically listed in the FERC Uniform System of Accounts ("USOA").

A-36. See attachment being provided in a separate file.

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Question No. 37

Responding Witness: Drew T. McCombs

Q-37. For each Company, provide a schedule showing the beginning balance of the uncollectible accounts reserve, bad debt expense accruals, direct gross charge-offs, bad debt recoveries (recapture), and ending balance uncollectible accounts reserve for each month during the years 2022 through 2024 and each month in 2025 with available information applicable to each division.

A-37. See attachment being provided in a separate file

LOUISVILLE GAS AND ELECTRIC COMPANY

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Question No. 38

Responding Witness: Drew T. McCombs

Q-38. For each Company and for each reserve balance sheet reserve account other than the uncollectible accounts reserve, provide the beginning balance, expense accruals, charge-offs, and ending balance for each month during the years 2022 through 2024 and each month in 2025 with available information applicable to the gas division.

A-38. The Company does not have other reserve accounts other than the uncollectible accounts reserve described in Question No. 37.

LOUISVILLE GAS AND ELECTRIC COMPANY

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Case No. 2025-00114

Question No. 39

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

Q-39. For each Company, provide a schedule of the amortization expense and remaining balance associated with each regulatory asset and regulatory liability for each month for the years 2022 through 2024, and for each actual and projected for 2025 and continuing through the end of the test year. Provide the balance of each regulatory asset at the beginning and end of each of those years, the amortization period that was used in each of those years, and the FERC accounts utilized to record the amortization expense. In addition, provide the amortization period and the Case No. in which the Commission approved the recovery and the amortization period, if any.

A-39. See attachment being provided in a separate file.

LOUISVILLE GAS AND ELECTRIC COMPANY

Response to Attorney General and the Kentucky Industrial Utility Customers' Initial Request for Information Dated July 3, 2025

Case No. 2025-00114

Question No. 40

Responding Witness: Drew T. McCombs

Q-40. Confirm the Company records accumulated net salvage in account 108 accumulated depreciation for FERC USOA purposes, but reclassifies and reports it as a regulatory liability for financial reporting purposes. If this is not correct, then provide a corrected statement.

A-40. The Company confirms that net salvage is recorded in account 108 for FERC USOA purposes and reclassifies it as a regulatory liability for financial reporting purposes.

LOUISVILLE GAS AND ELECTRIC COMPANY

Response to Attorney General and the Kentucky Industrial Utility Customers' Initial Request for Information Dated July 3, 2025

Case No. 2025-00114

Question No. 41

Responding Witness: Drew T. McCombs

Q-41. For each Company, provide the regulatory liabilities for interim net salvage for all electric and gas plant assets at December 31, 2022 and each month thereafter for which actual information is available.

A-41. The interim net salvage for LGE electric and gas is shown below.

Month	Salvage Balance	Month	Salvage Balance
Dec-22	$80,483,543.00	Jan-25	$80,713,756.85
Jan-23	80,834,761.30	Feb-25	81,058,482.56
Feb-23	79,004,199.93	Mar-25	81,403,519.77
Mar-23	79,299,556.51	Apr-25	81,750,766.75
Apr-23	79,649,725.69	May-25	82,084,303.08
May-23	79,999,684.87		
Jun-23	80,227,430.16		
Jul-23	80,581,492.15		
Aug-23	80,936,258.37		
Sep-23	81,150,674.80		
Oct-23	81,507,010.01		
Nov-23	81,785,369.90		
Dec-23	81,969,478.31		
Jan-24	82,328,735.89		
Feb-24	82,687,385.39		
Mar-24	82,961,635.36		
Apr-24	83,314,163.75		
May-24	83,386,519.14		
Jun-24	83,448,841.89		
Jul-24	83,811,590.67		
Aug-24	84,167,629.01		
Sep-24	84,436,211.31		
Oct-24	84,802,724.15		
Nov-24	85,036,676.70		
Dec-24	80,369,584.79		

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Case No. 2025-00114

Question No. 42

Responding Witness: Lonnie E. Bellar / Heather D. Metts

Q-42. For each of the generating units and plants (sum of generating units at each plant), provide copies of the 2025, 2026, 2027 and 2028 capital budgets and provide a description of the capital projects budgeted for each separated by amounts to be recovered through the ECR, other non-base rate mechanisms, or through base rates.

A-42. See attachment being provided in a separate file.

LOUISVILLE GAS AND ELECTRIC COMPANY

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Case No. 2025-00114

Question No. 43

Responding Witness: John J. Spanos

Q-43. Refer to the electronic file supplied in response to Staff 1-54 named "Attachment 2 Exhibit JJS-1-KU-1-2024-Table2,""Att 2 Exhibit JJS-LGE-1-2024-Gas-Table 2 and "Att 4 Exhibit JJS-LGE-1-2024-Electric-Table 4" which are the electronic versions of the tables contained on pages VIII-2 through VIII-3 of Exhibit JJS-KU-1 and Exhibit JJS-LG&E-1 (Depreciation Studies attached to Mr. Spanos's Direct Testimony). Provide all workpapers in support of the terminal and interim retirement amounts and percentages reflected in that table in electronic format with all formulas intact.

A-43. See attachments being provided in separate files. The two files set forth the workpapers in support of terminal and interim retirements as well as the net salvage percentage of each component. These files support Table 2 in the report.

LOUISVILLE GAS AND ELECTRIC COMPANY

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Case No. 2025-00114

Question No. 44

Responding Witness: Lonnie E. Bellar / John J. Spanos

Q-44. Refer to pages 12-14 of Mr. Spanos' Direct Testimony wherein he describes the "dismantlement component" added to the overall net salvage for each production facility. Refer also to pages VIII-2 through VIII-3 of Exhibit JJS-KU-1 and Exhibit JJS-LG&E-1 (Depreciation Studies attached to Mr. Spanos's Direct Testimony).

a. Describe and provide copies of all source documentation relied upon to determine that "the dismantlement or decommissioning costs for steam production facilities are best calculated at $40/KW of the assets subject to final retirement."

b. Provide copies for each generating facility of the calculations for the terminal net salvage component as based on the $40/KW assumption. Provide in electronic format with all formulas intact.

c. Provide copies of the "cost estimate of dismantlement of the Cane Run facility" referenced on page 12, lines 5-7, and identify all applicable Cane Run units.

d. Identify the retirement dates for all Cane Run units and all actual dismantlement costs incurred to date by year and by individual Cane Run unit. In addition, describe the current status of all Cane Run unit retirement and/or dismantlement projects.

e. Provide the calculations of the overall net salvage showing the interim and terminal net salvage components reflected in the present approved depreciation rates and in the depreciation rates proposed in this proceeding. Provide in electronic format with all formulas intact.

A-44.

a. The decommissioning costs for comparable facilities are not available as these are not available as these are proprietary to the individual utility. However, the decommissioning costs relate to facilities in Kentucky, North Carolina, Virginia, Indiana, Washington, South Carolina, Iowa, Oklahoma, Utah, Wyoming, South Dakota, Oregon, Colorado, Nevada, Idaho, Florida, Kansas and Missouri for recent studies.

b. See the response to part (a).

c. See attachment being provided in a separate file. This cost relates to Cane Run Units 1 through 6.

d. The dismantlement costs for the Cane Run coal fired units was $37.9 million. The costs were not split out by units as dismantlement occurred as one project. The retirement and/or dismantling projects associated with the Cane Run coal units have been completed. There is no future or pending work associated with the former coal units.

e. See attachment being provided in a separate file. The Terminal Net Salvage vs. Interim Net Salvage set forth in the current rates is reflected in the attachment. The proposed weighted net salvage calculation is set forth on pages VIII-2 and VIII-3 of Exhibit JJS-LGE-1.

LOUISVILLE GAS AND ELECTRIC COMPANY

Response to Attorney General and the Kentucky Industrial Utility Customers' Initial Request for Information Dated July 3, 2025

Case No. 2025-00114

Question No. 45

Responding Witness: John J. Spanos

Q-45. Provide a copy of all notes and all workpapers and source documents drafted and/or developed by Mr. Spanos and/or his colleagues, including all electronic workpapers in live format with all formulas intact, that were not previously supplied in response to the Commission's MFR or Staff First Set.

A-45. Notes and workpapers drafted and developed by Gannett Fleming for the conduct of the Depreciation Study were previously provided in response to the Commission Staff's First Set. See attachments being provided in separate files for additional items that have been prepared which were not previously supplied.

LOUISVILLE GAS AND ELECTRIC COMPANY

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Case No. 2025-00114

Question No. 46

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

Q-46. Provide the incentive compensation expense for (a) 2023, (b) 2024, (c) the base year, and (d) the test year by incentive compensation plan and by goal or target for each plan. This includes incentive compensation expense incurred directly by the Companies and the expense assigned and allocated to the Companies from the Service Company.

A-46. The company-wide incentive plan is PPL's short-term incentive program (STI) which is charged to and included in its operating expenses. The short-term incentive measures are re-evaluated annually.

Additionally, there is a small group of employees who participate in the Customer Services Operations and Support Contact Center Incentive Plan which is included near the bottom of the chart with the STI plan in the row title Customer Services and Marketing Contact Center.

Lastly, managers, directors, and senior level individual contributors may also participate in the long-term incentive (LTI) plan. LTI amounts reflected in the attached table (see row title Long Term Incentive) represent non-executive awards for LG&E and do not include amounts related to the services companies.

See attachment being provided in a separate file.

LOUISVILLE GAS AND ELECTRIC COMPANY

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Case No. 2025-00114

Question No. 47

Responding Witness: Vincent Poplaski

Q-47. Confirm that the only incentive compensation plan available is the Short-Term Incentive ("STI") Plan provided as Exhibit VP-1. If not confirmed, provide copies of all other plans available to employees.

A-47. Other than the Short-Term Incentive (STI) Plan, the other offerings of performance-based awards included in the revenue requirement are the Customer Services Operations & Support Contact Center Incentive Plan and PPL's Long-Term Incentive (LTI) Plan.

The Customer Services Operations & Support Contact Center Incentive Plan is limited to employees who work at the Customer Services Operations & Support Contact Center. See attachment 1 being provided in a separate file.

LTI plan eligibility is limited to directors and a portion of managers and high-level individual contributors. PPL's LTI is an at-risk form of compensation designed to reward employees for contributing to the company's long-term success and is critical in the attraction and retention of key talent for these roles. LTI is provided in the form of restricted stock units (RSUs) that vest over a multi-year period. RSUs are forfeited if an employee separates from the organization before the vesting date outside of a qualified retirement, death, or disability. This vesting structure encourages recipient to remain employed through each vesting date to avoid forfeiture, which supports talent retention initiatives. See attachment 2 being provided in a separate file for the 2025 RSU Recipient Award Agreement and attachment 3 being provided in a separate file for the Shareholder Approved Plan Document.

LOUISVILLE GAS AND ELECTRIC COMPANY

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Case No. 2025-00114

Question No. 48

Responding Witness: Drew T. McCombs / Heather D. Metts / Shannon L. Montgomery

Q-48. Refer to pages 10 and 11 of Ms. Montgomery's Direct Testimony related to the proposed tariff changes to move more customers to paperless billing by setting it a customer default.

a. Provide copies of all analyses completed in terms of the expected increase from the current 28% paperless billing participation utilization to 45% after the proposed changes are made.

b. Indicate how long the Companies expect that it will take to move from the current 28% participation to 45%.

c. Provide the 2024 and the 2025 to date expenses by FERC account number for each Company and division associated with customer billing, including but not limited to costs of emailing, bill printing, postage, and online applications.

d. Provide the base year and test year expenses by FERC account number for each Company and division associated with customer billing, including but not limited to costs of emailing, bill printing, postage, and online applications.

e. Provide copies of all analysis performed that detail the anticipated cost savings associated with the increased participation in paperless billing.

f. Provide the amount of the cost savings adjustments by FERC account made in the Companies' revenue requirement determinations and cite to the location of those adjustments in the applications.

g. Indicate whether the Companies have considered or studied the potential effects from the increase in paperless billing participation on the level of customer account delinquencies. If so, describe the consideration and/or studies and provide copies of all relevant information reviewed.

h. Refer to the previous subpart. Do the Companies expect that the level of customer account delinquencies will increase or decrease as a result of the Companies' proposed tariff changes? Explain answer.

i. How much advance notice of the default billing change to customers do the Companies anticipate giving and how much time will the customers be given to opt out?

j. Do the Companies anticipate sending billing notifications via text in the future as well as sending by email, especially with the intentions to procure a new customer service platform? If so, describe. If not, explain why not.

A-48.

a. The Companies have approximately 630,000 residential emails on file. Just under 300,000 customers are currently enrolled in paperless billing. Assuming the remaining customers with emails on file have valid email addresses and 75% of the customers do not opt-out, the paperless billing percentage will move to approximately 45%.

b. Less than one year.

c. The expenses by FERC account associated with customer billing are:

FERC Account	**2024**	**2025 May Year-to-Date**
408-Taxes Other than Income Taxes	96,917	42,261
903-Customer Records & Collection Expense	4,559,896	1,910,695
925-Injuries & Damages	249	165
926-Employee Pensions & Benefits	285,388	133,961
Total	**4,942,450**	**2,087,082**

d. The expenses by FERC account associated with customer billing are:

FERC Account	**Base Year**	**Test Year**
408-Taxes Other than Income Taxes	46,673	128,373
903-Customer Records & Collection Expense	4,595,291	4,303,199

921-Office Supplies & Expenses	0	450
925-Injuries & Damages	31	559
926-Employee Pensions & Benefits	143,834	422,956
Total	**4,785,829**	**4,855,536**

e. See attachment being provided in a separate file.

f. $469,847 of cost savings in LG&E FERC account 903 from 2024 were assume in the Business Plan for postage.

g. No studies have been conducted.

h. No expected impact as only customers who have provided email addresses will be migrated to paperless billing and they will be notified of the change.

i. Customers who have previously provided email addresses to the Companies will be notified 90 days in advance that their bill will be delivered via email rather than being mailed a paper bill. Customers may opt out and request to remain on paper billing.

j. Currently customers can opt into billing notifications via text, email, and/or automated phone call.

LOUISVILLE GAS AND ELECTRIC COMPANY

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Case No. 2025-00114

Question No. 49

Responding Witness: Shannon L. Montgomery

Q-49. Refer to page 16 of Ms. Montgomery's Direct Testimony related to the reduction of meter reading and field service contractors primarily as a result of the AMI rollout.

a. Provide for each Company the amount of O&M expense associated with meter reading and field service contractors for each month in 2024 and in 2025 to date with available information.

b. Provide for each Company the number of meter reading and field service contractors at the end of 2024 and projected for the end of 2025 and 2026.

c. Provide for each Company the amount of O&M expense associated with meter reading and field service contractors for each month during the base year and in total and for each month in the test year and it total.

A-49.

a. See attachment being provided in a separate file.

b. The number of meter reading contractors at the end of 2024 is 17. There are no projected meter reading contractors for the end of 2025 and 2026. The number of field service contractors at the end of 2024 is 14. There are 8 projected field service contractors at the end of 2025 and none for 2026.

c. See the response to part (a). There are no O&M expenses in the test year for meter reading and field service contractors.

LOUISVILLE GAS AND ELECTRIC COMPANY

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Case No. 2025-00114

Question No. 50

Responding Witness: Heather D. Metts / Shannon L. Montgomery

Q-50. Refer to page 13 of Ms. Montgomery's Direct Testimony related to the estimated $8.7 million in O&M expense savings since the last rate case related to the closure of business offices since 2022.

a. Provide copies of the calculations to determine the $8.7 million in estimated O&M expense savings in electronic format with all formulas in place.

b. Provide the estimated amount of savings for each Company each year since the last rate case due to the closure of business offices since 2022.

A-50.

a. See attachment being provided in a separate file.

b. The savings for each Company compared to the last rate case are as follows:

Year	**LG&E**	**KU**	**Total**
2022	591,519	1,756,549	**2,348,068**
2023	540,679	2,417,577	**2,958,256**
2024	854,642	5,023,156	**5,877,798**
2025 (May Year-to-Date)	1,302,353	7,354,158	**8,656,511**

LOUISVILLE GAS AND ELECTRIC COMPANY

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Case No. 2025-00114

Question No. 51

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

Q-51. Provide for each Company and division a schedule showing per books actual O&M expenses by year and by FERC O&M/A&G expense account/subaccount for each of the calendar years 2021 through 2024, 2025 to date (identify the last month with actual data), the base year and the test year. Provide in Excel format with all formulas intact.

A-51. See attachment being provided in a separate file.

LOUISVILLE GAS AND ELECTRIC COMPANY

Response to Attorney General and the Kentucky Industrial Utility Customers' Initial Request for Information Dated July 3, 2025

Case No. 2025-00114

Question No. 52

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

Q-52. Provide for each Company and division a schedule showing jurisdictional actual O&M expenses by year and by FERC O&M/A&G expense account/subaccount for each of the calendar years 2021 through 2024, 2025 to date (identify the last month with actual data), the base year and the test year. Provide in Excel format with all formulas intact.

A-52. See the response to Question No. 51. Louisville Gas and Electric Company O&M expense is 100 percent jurisdictionalized to Kentucky.

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Case No. 2025-00114

Question No. 53

Responding Witness: Christopher M. Garrett / Drew T. McCombs / Heather D. Metts

Q-53. Provide a schedule showing all direct assignments and allocations of costs from LKS to the Companies by FERC O&M, A&G, and each other account for 2021, 2022, 2023, 2024, 2025 to date (identify the last month with actual data), the base year, and the test year. Provide an explanation for each increase from year to year of at least $1 million or 5%, whichever is less.

A-53. See attachment being provided in a separate file.

Changes from year to year are explained for increases greater than $1 million. For 2025 to date, the Company is providing January through May.

LOUISVILLE GAS AND ELECTRIC COMPANY

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Case No. 2025-00114

Question No. 54

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

Q-54. Provide the long-term debt interest payable balances at month end by account/subaccount by subaccount for each month January 2024 through December 2024, January 2025 through the latest month in 2025 with available information, and forecast through June 2026. Provide the total company amounts, an appropriate allocation factor to KU and both LG&E divisions, and the amounts that would be applicable to KU and both LG&E divisions.

A-54. See attachment being provided in a separate file.

LOUISVILLE GAS AND ELECTRIC COMPANY

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Case No. 2025-00114

Question No. 55

Responding Witness: Julissa Burgos

Q-55. For each of the Companies' long-term debt issues included in the Companies' filings, indicate the frequency of interest payments required (e.g. annual, semi-annual, quarterly, monthly).

A-55. The majority of the Companies' long-term debt has semi-annual interest payments. For LG&E, there are two long-term debt issues that have monthly interest payments and at KU there are four long-term debt issues that have a frequency that varies depending on the remarketing period. See the table below for detail by debt issue.

Debt Issuance Type	Issuance Date	Maturity Date	Interest Frequency	Amount Outstanding (000's USD)
KENTUCKY UTILITIES COMPANY				
First Mortgage Bonds				
Kentucky Utilities FMB due October 1, 2025 - $250m	9/28/2015	10/1/2025	Semi-annual	250,000
Kentucky Utilities FMB due June 1, 2050 - $500m	6/3/2020	6/1/2050	Semi-annual	500,000
Kentucky Utilities FMB due November 1, 2040 - $750m	11/16/2010	11/1/2040	Semi-annual	750,000
Kentucky Utilities FMB due November 15, 2043 - $250m	11/14/2013	11/15/2043	Semi-annual	250,000
Kentucky Utilities FMB due October 1, 2045 - $250m	9/28/2015	10/1/2045	Semi-annual	250,000
Kentucky Utilities FMB due October 1, 2045 - $300m	9/28/2015	10/1/2045	Semi-annual	300,000
Kentucky Utilities FMB due April 15, 2033 - $400m	3/20/2023	4/15/2033	Semi-annual	400,000
Municipal Bonds (Secured by First Mortgage Bonds)				
Kentucky Utilities Carroll County 2016 Series A - $96m	8/25/2016	9/1/2042	Semi-annual	96,000
Kentucky Utilities Carroll County 2018 Series A - $17.9m	9/5/2018	2/1/2026	Semi-annual	17,875
Kentucky Utilities Carroll County 2008 Series A - $77.9m	10/17/2008	2/1/2032	Semi-annual	77,947
Kentucky Utilities Carroll County 2002 Series A - $20.9m	5/23/2002	2/1/2032	Varies(1)	20,930
Kentucky Utilities Carroll County 2002 Series B - $2.4m	5/23/2002	2/1/2032	Varies(1)	2,400
Kentucky Utilities Mercer County 2002 Series A - $7.4m	5/23/2002	2/1/2032	Varies(1)	7,400
Kentucky Utilities Muhlenberg County 2002 Series A - $2.4m	5/23/2002	2/1/2032	Varies(1)	2,400
Kentucky Utilities Carroll County 2006 Series B - $54m	2/23/2007	10/1/2034	Semi-annual	54,000
Kentucky Utilities Carroll County 2004 Series A - $50m	10/20/2004	10/1/2034	Semi-annual	50,000
Kentucky Utilities Trimble County 2023 Series A - $60m	12/6/2023	6/1/2054	Semi-annual	60,000
				3,088,952
LOUISVILLE GAS AND ELECTRIC COMPANY				
First Mortgage Bonds				
LG&E FMB due October 1, 2025 - $300m	9/28/2015	10/1/2025	Semi-annual	300,000
LG&E FMB due November 15, 2040 - $285m	11/16/2010	11/15/2040	Semi-annual	285,000
LG&E FMB due November 15, 2043 - $250m	11/14/2013	11/15/2043	Semi-annual	250,000
LG&E FMB due October 1, 2045 - $250m	9/28/2015	10/1/2045	Semi-annual	250,000
LG&E FMB due April 1, 2049 - $400m	4/1/2019	4/1/2049	Semi-annual	400,000
LG&E FMB due April 15, 2033 - $400m	3/20/2023	4/15/2033	Semi-annual	400,000
Municipal Bonds (Secured by First Mortgage Bonds)				
LG&E Trimble County 2001 Series A - $27.5m	3/6/2002	9/1/2026	Semi-annual	27,500
LG&E Trimble County 2001 Series B - $35m	3/22/2002	11/1/2027	Semi-annual	35,000
LG&E Jefferson Co. 2001 Series B - $35m	3/22/2002	11/1/2027	Semi-annual	35,000
LG&E Louisville Metro 2003 Series A - $128m	11/20/2003	10/1/2033	Semi-annual	128,000
LG&E Louisville Metro 2007 Series A - $31m	4/26/2007	6/1/2033	Monthly	31,000
LG&E Louisville Metro 2007 Series B - $35.2m	4/26/2007	6/1/2033	Monthly	35,200
LG&E Jefferson Co. 2001 Series A - $22.5m	3/6/2002	9/1/2026	Semi-annual	22,500
LG&E Trimble County 2016 Series A - $125m	9/15/2016	9/1/2044	Semi-annual	125,000
LG&E Trimble County 2017 Series A - $60m	6/1/2017	6/1/2033	Semi-annual	60,000
LG&E Louisville Metro 2005 Series A - $40m	4/13/2005	2/1/2035	Semi-annual	40,000
LG&E Trimble County 2023 Series A - $65m	12/6/2023	6/1/2054	Semi-annual	65,000
				2,489,200
1) Interest resets vary based on remarketing from agent.				

LOUISVILLE GAS AND ELECTRIC COMPANY

Response to Attorney General and the Kentucky Industrial Utility Customers' Initial Request for Information
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Case No. 2025-00114

Question No. 56

Responding Witness: Heather D. Metts

Q-56. Provide the Directors & Officers ("D&O") insurance expense directly incurred by or allocated to KU and incurred by or allocated to each LG&E division included in the test year, showing how the allocations were performed.

A-56. The amount of Directors & Officers ("D&O") insurance expense included in the test year for KU is $442,235. The policy is procured by PPL Corporation ("PPL") to cover all subsidiaries and is allocated in accordance with the Cost Allocation Manual ("CAM"). See below for the calculation of the allocated expense to LG&E.

Directors & Officers ("D&O") Insurance Expense

	Test Year
PPL Total Premium	$ 2,767,427
LKE Allocation %	34%
LKE Premium Total	$ 940,925
LG&E Allocation %	47%
LG&E Premium Total	$ 442,235
Electric Allocation %	73%
LG&E Electric	$ 322,831
Gas Allocation %	27%
LG&E Gas	$ 119,403

LOUISVILLE GAS AND ELECTRIC COMPANY

Response to Attorney General and the Kentucky Industrial Utility Customers' Initial Request for Information Dated July 3, 2025

Case No. 2025-00114

Question No. 57

Responding Witness: Heather D. Metts

Q-57. Provide the Investor Relations expense directly incurred by or allocated to KU and incurred by or allocated to each LG&E division included in the test year, showing how the allocations were performed.

A-57. The amount of Investor Relations expense included in the test year for LG&E is \$188,356. The amount is allocated in accordance with the Cost Allocation Manual ("CAM"). See below for the calculation of the allocated expense to LG&E.

Investor Relations Expense

	Test Year
PPL Total Expense	\$1,001,353
LKE Allocation %	43%
LKE Total	\$ 428,082

Account	Allocated to LKE	LG&E Allocation %	LG&E Total	Electric Allocation %	LG&E Electric Total	Gas Allocation %	LG&E Gas Total
408	\$ 21,088	44%	\$ 9,279	73%	\$ 6,774	27%	\$ 2,505
920	262,897	44%	115,675	73%	84,442	27%	31,232
923	46,170	44%	20,315	73%	14,830	27%	5,485
925	1,479	44%	651	73%	475	27%	176
926	41,726	44%	18,360	73%	13,403	27%	4,957
930	54,722	44%	24,078	68%	16,373	32%	7,705
	\$ 428,082		\$ 188,356		\$ 136,296		\$ 52,060

LOUISVILLE GAS AND ELECTRIC COMPANY

Response to Attorney General and the Kentucky Industrial Utility Customers' Initial Request for Information Dated July 3, 2025

Case No. 2025-00114

Question No. 58

Responding Witness: Heather D. Metts

Q-58. Provide the Board of Directors ("BOD") compensation expense directly incurred by or allocated to KU and incurred by or allocated to each LG&E division to LG&E's electric and gas divisions included in the test year, showing how the allocations were performed.

A-58. The amount of Board of Directors compensation expense included in the test year for LG&E is $526,772. The amount is allocated in accordance with the Cost Allocation Manual ("CAM"). See below for the calculation of the allocated expense to LG&E.

Board of Directors Compensation Expense

	Test Year
PPL Total Expense	$3,160,000
LKE Allocation %	33%
LKE Total	$1,053,544

Account	Allocated to LKE	LG&E Allocation %	LG&E Total	Electric Allocation %	LG&E Electric Total	Gas Allocation %	LG&E Gas Total
923	$ 1,053,544	50%	$ 526,772	73%	$ 384,544	27%	$ 142,228

LOUISVILLE GAS AND ELECTRIC COMPANY

Response to Attorney General and the Kentucky Industrial Utility Customers' Initial Request for Information Dated July 3, 2025

Case No. 2025-00114

Question No. 59

Responding Witness: Chad E. Clements

Q-59. Provide a schedule showing the actual amount of property taxes paid by each of the Companies and divisions during 2024 to each taxing authority and in total.

A-59. LG&E paid $47,475,519 in property tax during 2024. See attachment being provided in a separate file.

LOUISVILLE GAS AND ELECTRIC COMPANY

Response to Attorney General and the Kentucky Industrial Utility Customers' Initial Request for Information Dated July 3, 2025

Case No. 2025-00114

Question No. 60

Responding Witness: Chad E. Clements

Q-60. For each taxing authority to which aggregate property tax payments exceeding $10,000 were made in 2024, indicate the method of assessing asset value and whether the asset base includes or excludes CWIP in the determination of the assessed value used to determine the amount of taxes to be paid.

A-60. The Company is "Centrally Assessed" by state taxing authorities. The asset base includes CWIP in the assessed value.

LOUISVILLE GAS AND ELECTRIC COMPANY

Response to Attorney General and the Kentucky Industrial Utility Customers' Initial Request for Information Dated July 3, 2025

Case No. 2025-00114

Question No. 61

Responding Witness: Chad E. Clements

Q-61. For each taxing authority to which aggregate property tax payments exceeding $10,000 were made in 2024, indicate the time of the year when value assessments were made and when payments were due. If there are any known changes related to base year and test year assessments and changes, describe.

A-61. The Company's 2023 Assessment was certified in December 2023 and finalized in April 2024. No changes to assessments were made between December and April. Payments associated with the assessment are paid when the invoice is received from the State and Local taxing authorities. The State payment was made during the fourth quarter 2023 and the Local payments were made in 2024. Additionally, the Company's 2024 Assessment was certified in December 2024 and the 2024 State payment of $13,126,682.59 was made at that time. There are no known changes related to the base year and the test year assessments from the filing other than normal plant additions.

LOUISVILLE GAS AND ELECTRIC COMPANY

Response to Attorney General and the Kentucky Industrial Utility Customers' Initial Request for Information Dated July 3, 2025

Case No. 2025-00114

Question No. 62

Responding Witness: Chad E. Clements

Q-62. For each taxing authority to which aggregate property tax payments exceeding $10,000 were made in 2024, provide a copy of one property tax return or other information return submitted to each tax assessor and the associated resulting invoice related to taxes paid in 2024.

A-62. See attachment being provided in a separate file.

LOUISVILLE GAS AND ELECTRIC COMPANY

Response to Attorney General and the Kentucky Industrial Utility Customers' Initial Request for Information Dated July 3, 2025

Case No. 2025-00114

Question No. 63

Responding Witness: Chad E. Clements

Q-63. For each taxing authority to which aggregate property tax payments exceeding $10,000 were made in 2024, indicate whether there is a period of temporary abatement of taxes during the construction phase of assets to be placed in service. If so, describe in detail.

A-63. There is no period of temporary abatement of taxes during the construction phase of assets to be placed in service. Items in CWIP have historically been subject to property tax.

LOUISVILLE GAS AND ELECTRIC COMPANY

Response to Attorney General and the Kentucky Industrial Utility Customers' Initial Request for Information Dated July 3, 2025

Case No. 2025-00114

Question No. 64

Responding Witness: Chad E. Clements

Q-64. Provide a schedule showing how property taxes were computed for the base year and include copies of all workpapers used to determine the amount in electronic format with all formulas intact.

A-64. See attachment being provided in a separate file.

LOUISVILLE GAS AND ELECTRIC COMPANY

Response to Attorney General and the Kentucky Industrial Utility Customers' Initial Request for Information Dated July 3, 2025

Case No. 2025-00114

Question No. 65

Responding Witness: Chad E. Clements

Q-65. Provide a schedule showing how property taxes were computed for the test year and include copies of all workpapers used to determine the amount in electronic format with all formulas intact.

A-65. See the response to Question No. 64.

LOUISVILLE GAS AND ELECTRIC COMPANY

Response to Attorney General and the Kentucky Industrial Utility Customers' Initial Request for Information Dated July 3, 2025

Case No. 2025-00114

Question No. 66

Responding Witness: Lonnie E. Bellar / Vincent Poplaski

Q-66. Provide in an Excel spreadsheet the FTE staffing levels and related payroll (direct and burdens) by month from January 2020 through June 2025 at each generating unit/plant that the Companies have retired or plan to retire during that period of four and a half years.

A-66. During the period of January 2020 through June 2025, three generating units were retired - Paddy's Run 11, Zorn 1, and Mill Creek 1. Paddy's Run 11 and Zorn 1 were secondary combustion turbine units that when active were operated and maintained by Cane Run station and had no dedicated headcount.

See attachment being provided in a separate file for the Mill Creek and Cane Run stations' staffing levels and related payroll costs. Mill Creek and Cane Run stations do not track headcount by individual generating units.

LOUISVILLE GAS AND ELECTRIC COMPANY

Response to Attorney General and the Kentucky Industrial Utility Customers' Initial Request for Information
Dated July 3, 2025

Case No. 2025-00114

Question No. 67

Responding Witness: Vincent Poplaski

Q-67. Provide a breakdown of the total headcount by department and in total for the Companies at December 31 for each of the years 2020-2024, the most current date available, the end of the forecasted base year and the end of forecasted test year.

A-67. See attachment being provided in a separate file for a listing of headcount by department for LG&E and LKS. The budgeted columns reflect all headcount being filled. To the extent there are vacant positions, the dollars budgeted would be used for overtime and contractors to perform the work.

LOUISVILLE GAS AND ELECTRIC COMPANY

Response to Attorney General and the Kentucky Industrial Utility Customers' Initial Request for Information Dated July 3, 2025

Case No. 2025-00114

Question No. 68

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

Q-68. Provide a breakdown of payroll dollars between O&M expense, capital, and all other by department and in total for the Companies for each of the years 2020-2024, the forecasted base year and the forecasted test year.

A-68. See attachment being provided in a separate file.

LOUISVILLE GAS AND ELECTRIC COMPANY

Response to Attorney General and the Kentucky Industrial Utility Customers' Initial Request for Information Dated July 3, 2025

Case No. 2025-00114

Question No. 69

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

Q-69. Provide the amount of contingent (contract) worker labor expense for each of the years 2021 through 2024, 2025 to date, the base year and the test year. Be sure to include all amounts direct charged and allocated to each of the Companies (separated between electric and gas for LG&E).

A-69. The amount of contingency (contract) worker labor expense for each of the time periods requested is as follows:

Year	Total LG&E Contingent (Contract) Worker Labor Expense	
	Electric	Gas
2021	$ 89,507,246	$ 26,185,505
2022	93,312,090	30,469,522
2023	83,320,032	20,951,306
2024	80,631,944	28,107,804
Jan-May 2025	37,194,019	12,924,667
Base Year	77,867,500	27,620,560
Test Year	76,620,611	29,081,688

LOUISVILLE GAS AND ELECTRIC COMPANY

Response to Attorney General and the Kentucky Industrial Utility Customers' Initial Request for Information
Dated July 3, 2025

Case No. 2025-00114

Question No. 70

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

Q-70. Refer to the Payroll Analysis Attachment, page 2 of 2, to Filing Requirement Tab 60 of 807 KAR5:001 Section 16(8)(g) for LG&E. Refer further to the employee benefits amount in total and the O&M portion for the base year and the test year on lines 35-37. Refer also to the increase in the ratio of O&M labor dollars data included on lines 18-19.

a. Explain all known reasons why the employee benefits costs for LG&E are expected to increase by $10,076,617, or 19.81%, from the base year to the test year.

b. Explain all known reasons why the employee benefits expenses for LG&E are expected to increase by $7,858,916, or 23.92%, from the base year to the test year.

c. Provide the total benefits cost by type for LGE for each of the years 2021 through 2024, 2025 to date, the base year and the test year.

d. Provide the total benefits expense by type and by division for LGE for each of the years 2021 through 2024, 2025 to date, the base year and the test year.

e. Explain why the ratio of O&M labor dollars to total labor dollars for this category of costs is expected to increase from 63.81% to 66.24% for LG&E from the base year to the test year.

f. Provide the ratio of O&M labor dollars to total labor dollars for each of the years 2021 through 2024, 2025 to date, the base year and the test year. provide in total and by division.

A-70.

a. Pension, post-retirement and post-employment plans make up the majority of this increase. There were no substantial changes to benefits offered. The pension plan has been closed since 1/1/2006 and the post-retirement benefit plan were closed between 1/1/2024 and 1/1/2025

- For the pension and postretirement plans, the increase is primarily due to a lower Expected Return on Asset (EROA) projected value, which is calculated using an EROA percentage return assumption and the plans' market-related value of assets.

- Per accounting standards, management is required to review all pension assumptions on at least an annual basis. This annual process is intended to assess the various economic and actuarial assumptions to account for changing market conditions, expectations for future economic outlook and demographic experience, amongst other data points. As part of this assessment process that includes discussions with the Companies' investment consultants and actuaries, the EROA assumption was updated for the 2025 Business Plan. The update resulted in a different EROA assumption for the base year and the test year, declining by 1%.

- In addition, changes in the plans' asset base will be updated during the forecasting process. As an example, the plans' actual investment return for 2024 was 1.35% vs. the Expected Return of 8.25%. The actual return on assets lowers the asset base and lower projected EROA amounts in dollars, which in turn results in higher cost, since there is less investment income to offset the ongoing cost of the pension benefit.

- For the post-employment benefit plan, which provides medical, dental and life insurance benefits to disabled employees, the base year reflects an actual credit recorded due to a decrease in the number of employees on disability and an increase in the discount rate for the year based on year-end bond rates required to measure the obligation. For the test year, and consistent with annual budgeting, there is no amount included resulting in what would be considered an increase. However, there is no budget or projection for post-employment benefits as the obligation and activity is not material to KU's balance sheet or income statement in total. Post-employment benefits are only measured annually at December 31st and dependent on employees who either become disabled during the year or recover and are removed from the obligation, which is based on bond rates used to develop the obligation as of December 31st, due to the combined significant uncertainty and based on materiality, amounts are not forecasted.

b. Pension, post-retirement and post-employment plans make up the majority of this increase. See the response to (a).

c. See attachment being provided in a separate file.

d. See attachment being provided in a separate file.

e. These percentages will change based on the amount of labor charged to capital projects. The level of capital spending fluctuates from year to year, and the ratios for the test year are well within the ranges the Companies expect and have previously experienced.

f. The ratios of O&M labor dollars to total labor dollars for the time periods requested are as follows:

Year	Ratio of O&M Labor Dollars to Total Labor Dollars		
	Total	Electric	Gas
2021	67.29%	66.72%	68.67%
2022	67.87%	67.16%	69.54%
2023	66.29%	65.80%	67.41%
2024	64.03%	62.99%	66.46%
2025	64.16%	64.26%	63.94%
Base Period	63.66%	62.20%	66.99%
Test Period	66.24%	64.42%	70.18%

LOUISVILLE GAS AND ELECTRIC COMPANY

Response to Attorney General and the Kentucky Industrial Utility Customers' Initial Request for Information Dated July 3, 2025

Case No. 2025-00114

Question No. 71

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

Q-71. Describe how the Companies removed the effects of purchase accounting from the capitalization, all rate base components, and all related expenses, such as depreciation expense and property tax expense, reflected in the filing. Provide a schedule in electronic spreadsheet format with all formulas intact showing all adjustments and providing an explanation of each such adjustment.

A-71. The Company maintains a separate general ledger and a separate budget entity to record the impact of all purchase accounting adjustments and to ensure that the activity can be tracked for reporting and budgeting purposes. When calculating capitalization, all rate base components, and all related expenses, the Company used only the general ledger and budget entity excluding purchase accounting. As a result, there was no adjustment needed to remove purchase accounting included in the capitalization, rate base components, or all related expenses.

LOUISVILLE GAS AND ELECTRIC COMPANY

Response to Attorney General and the Kentucky Industrial Utility Customers' Initial Request for Information
Dated July 3, 2025

Case No. 2025-00114

Question No. 72

Responding Witness: Drew T. McCombs

Q-72. For both Companies, provide a schedule showing total Company and jurisdictional purchased power expense by month from January 2022 through the end of the test year, including the months between the end of the base year and beginning of the test year separated into the amounts included in the (a) base revenue requirement and in the (b) fuel adjustment clause. Disaggregate the expense included in the base revenue requirement by supplier in the same manner that the Company reports purchased power expense in the Form 1 on pages 326-327. Highlight and explain each actual and forecasted change in resource and/or capacity for a given resource throughout this 60-month period for the expense included in the base revenue requirement.

A-72. See attachment being provided in a separate file.

LOUISVILLE GAS AND ELECTRIC COMPANY

Response to Attorney General and the Kentucky Industrial Utility Customers' Initial Request for Information Dated July 3, 2025

Case No. 2025-00114

Question No. 73

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

Q-73. For both Companies, provide a schedule showing by month from January 2022 through the end of the test year, including the months between the end of the base year and the beginning of the test year, the (a) total off-system sales revenues and the (b) net margins. In addition, (c) provide the amount of the net margins reflected in the base revenue requirement in the base year and in the test year annotated and/or reconciled to the schedule provided in this response. Further, (d) separate the monthly net margins to reflect the sharing allocation between the Companies and customers and show the calculation of this allocation.

A-73. See attachment being provided in a separate file.

LOUISVILLE GAS AND ELECTRIC COMPANY

Response to Attorney General and the Kentucky Industrial Utility Customers' Initial Request for Information
Dated July 3, 2025

Case No. 2025-00114

Question No. 74

Responding Witness: Drew T. McCombs / Vincent Poplaski

Q-74. Provide a copy of the Companies' actuarial reports used for pension expense in the most recent historic calendar year, base year and test year. Annotate and/or reconcile the relevant amounts included in the report to the pension expense included in the base year and test year.

A-74. See attachment being provided in a separate file for reconciliation between the actuarial reports and the pension expense included in the base year and test year. Portions of the attachment that are nonresponsive to the request have been redacted.

LOUISVILLE GAS AND ELECTRIC COMPANY

Response to Attorney General and the Kentucky Industrial Utility Customers' Initial Request for Information
Dated July 3, 2025

Case No. 2025-00114

Question No. 75

Responding Witness: Drew T. McCombs / Vincent Poplaski

Q-75. Provide a copy of the Companies' actuarial reports used for OPEB expense in the most recent historic calendar year, base year and test year. Annotate and/or reconcile the relevant amounts included in the report to the OPEB expense included in the base year and test year.

A-75. See attachment being provided in a separate file for reconciliation between the actuarial reports and the OPEB expense included in the base year and test year. Portions of the attachment that are nonresponsive to the request have been redacted.

LOUISVILLE GAS AND ELECTRIC COMPANY

Response to Attorney General and the Kentucky Industrial Utility Customers' Initial Request for Information Dated July 3, 2025

Case No. 2025-00114

Question No. 76

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

Q-76. Provide the lobbying expense actually incurred in 2024 by FERC account/subaccount and payee/vendor, including expense that was incurred by affiliates, such as LG&E and KU Services Company, and charged to the Companies. In addition, provide the amount of lobbying expense actually incurred during the test year and the amount included in the test year cost of service in this proceeding in the same format.

A-76. The Company is not seeking recovery of costs for lobbying activities in this rate proceeding. All costs for lobbying are recorded below-the-line. LG&E's costs for the year 2024 and the forecasted test year are included in the table below.

	2024	Test Year
Labor & Burdens	$ 394,827	$ 403,867
Edison Electric Institute (EEI)	60,319	51,885
Akin Gump Strauss Hauer & Feld LLP	37,800	52,800
Democratic Governors Assoc.	-	4,400
Greater Louisville Inc	-	37,250
Kentucky Association of Manufacturers	-	4,400
Kentucky Forum for Rights, Economics and Education	-	5,500
McBrayer PLLC	43,650	44,880
The Rotunda Group LLC	26,700	27,280
Power for Tomorrow	11,250	11,000
Republican Attorneys General Association	6,600	6,600
Utilities State Government Organization (USGO)	6,600	7,040
Strategic Advisers	31,325	25,300
American Gas Association (AGA)	10,277	10,630
Kentucky Chamber Dues	-	31,000
External Affairs Non-Labor Expenses	89,005	83,893
All Other Non-Labor	3,578	7,086
Total	$ 721,931	$ 814,811

LOUISVILLE GAS AND ELECTRIC COMPANY

Response to Attorney General and the Kentucky Industrial Utility Customers' Initial Request for Information
Dated July 3, 2025

Case No. 2025-00114

Question No. 77

Responding Witness: Chad E. Clements

Q-77. Refer to Schedule B-8 TC (Schedule B-8 pages 1 and 2) for KU and LG&E (Electric).

a. Provide a detailed schedule of the amounts in account 190 ADIT by temporary difference and by month for 2024, base year, and forecast year, as well as all supporting calculations for forecast changes in the temporary differences in each of the forecast months in the base year, if any.

b. Provide a detailed schedule of the amounts in account 281 ADIT by temporary difference and by month for 2024, base year, and forecast year, as well as all supporting calculations for forecast changes in the temporary differences in each of the forecast months in the base year, forecast bridge months between the end of the base year and the beginning of the test year, and the months in the forecast year.

c. Provide a detailed schedule of the amounts in account 282 ADIT by temporary difference and by month for 2024, base year, and forecast year, as well as all supporting calculations for forecast changes in the temporary differences in each of the forecast months in the base year, forecast bridge months between the end of the base year and the beginning of the test year, and the months in the forecast year.

d. Provide a detailed schedule of the amounts in account 283 ADIT by temporary difference and by month for 2024, base year, and forecast year, as well as all supporting calculations for forecast changes in the temporary differences in each of the forecast months in the base year, forecast bridge months between the end of the base year and the beginning of the test year, and the months in the forecast year.

A-77.

a. See attachment being provided in a separate file. The schedule includes ADIT balances and supporting calculations for accounts 190, 282, and 283 in aggregate for all months included in 2024, base period, forecast bridge months, and forecast year.

b. The Company does not utilize Account 281 for recording ADIT.

c. See the response to part (a).

d. See the response to part (a).

LOUISVILLE GAS AND ELECTRIC COMPANY

Response to Attorney General and the Kentucky Industrial Utility Customers' Initial Request for Information
Dated July 3, 2025

Case No. 2025-00114

Question No. 78

Responding Witness: Chad E. Clements

Q-78. Refer to Schedule B-8 KY (Schedule B-8 pages 3 and 4) for KU and LG&E (Electric – Schedule B-8 E and Gas – Schedule B-8 G).

a. Provide a detailed schedule of the amounts in account 190 ADIT by temporary difference and by month for 2024, base year, and forecast year, as well as all supporting calculations for forecast changes in the temporary differences in each of the forecast months in the base year, forecast bridge months between the end of the base year and the beginning of the test year, and the months in the forecast year.

b. Provide a detailed schedule of the amounts in account 281 ADIT by temporary difference and by month for 2024, base year, and forecast year, as well as all supporting calculations for forecast changes in the temporary differences in each of the forecast months in the base year, forecast bridge months between the end of the base year and the beginning of the test year, and the months in the forecast year.

c. Provide a detailed schedule of the amounts in account 282 ADIT by temporary difference and by month for 2024, base year, and forecast year, as well as all supporting calculations for forecast changes in the temporary differences in each of the forecast months in the base year, forecast bridge months between the end of the base year and the beginning of the test year, and the months in the forecast year.

d. Provide a detailed schedule of the amounts in account 283 ADIT by temporary difference and by month for 2024, base year, and forecast year, as well as all supporting calculations for forecast changes in the temporary differences in each of the forecast months in the base year, forecast bridge months between the end of the base year and the beginning of the test year, and the months in the forecast year.

e. Provide a schedule showing each temporary difference and the related ADIT identified in responses to parts (a) through (d) of this question indicating: 1) whether the temporary difference was added to or subtracted from rate base and providing all reasons for the Company's treatment; 2) whether the related ADIT was subtracted or added to rate base and all reasons for the Company's treatment; and 3) if there is disparate rate base treatment of the temporary difference and the related ADIT, provide all reasons for such disparate treatment.

A-78.

a. See the response to Question No. 77, part (a).

b. The Company does not utilize Account 281 for recording ADIT.

c. See the response to Question No. 77, part (a).

d. See the response to Question No. 77, part (a).

e. See the response to Question No. 77, part (a). Refer to the section labeled "Above the Line Deferred Taxes" for a listing of all temporary differences and the related ADIT balances included as a net subtraction to rate base. "Above the Line Deferred Taxes" represent ADIT balances related to Operating Income and Expense. ADIT Balances related to Non-Operating Income and Expense are excluded from rate base and shown in the section labeled "Below the Line Deferred Taxes". Additionally, the ASC 740 Regulatory Asset and Liability ADIT balances are excluded from the net ADIT balance in rate base.

LOUISVILLE GAS AND ELECTRIC COMPANY

Response to Attorney General and the Kentucky Industrial Utility Customers' Initial Request for Information Dated July 3, 2025

Case No. 2025-00114

Question No. 79

Responding Witness: Christopher M. Garrett / Drew T. McCombs

Q-79. Provide a copy of all intercompany agreements to which the Companies are parties, including tax allocation agreements, money pool agreements, financing agreements, service company agreements, and a copy of all documentation in addition to those agreements that describe how intercompany revenues and charges are determined, including allocations and the sources of data used to calculate the allocation factors.

A-79. See the response to PSC 1-12(c) and the Cost Allocation Manual in 2025 Filing Req – LGE 16(7)(u)(1).

LOUISVILLE GAS AND ELECTRIC COMPANY

Response to Attorney General and the Kentucky Industrial Utility Customers' Initial Request for Information Dated July 3, 2025

Case No. 2025-00114

Question No. 80

Responding Witness: Chad E. Clements

Q-80. Indicate if the Companies are members of an intercompany tax allocation agreement and the entity that files the consolidated income tax return.

A-80. LG&E is a member of the Tax Sharing Agreement as provided in response to PSC 1-12(c) Att 1. PPL Corporation is the parent company that files the consolidated federal income tax return on behalf of its Members.

LOUISVILLE GAS AND ELECTRIC COMPANY

Response to Attorney General and the Kentucky Industrial Utility Customers' Initial Request for Information Dated July 3, 2025

Case No. 2025-00114

Question No. 81

Responding Witness: Chad E. Clements

Q-81. Indicate if PPL or the entity that files the consolidated tax return is subject to the corporate alternative minimum tax. If so, provide a copy of the calculation of the qualifying $1 billion AFSI threshold.

A-81. PPL has not been and does not anticipate being subject to the corporate alternative minimum tax through the 2026 test year.

LOUISVILLE GAS AND ELECTRIC COMPANY

Response to Attorney General and the Kentucky Industrial Utility Customers' Initial Request for Information Dated July 3, 2025

Case No. 2025-00114

Question No. 82

Responding Witness: Chad E. Clements

Q-82. Indicate whether the Companies have included a CAMT DTA in rate base. If so, indicate where this is included in rate base (cite schedule(s) and/or workpaper(s) and line item(s)) and where it is calculated and allocated to KU electric, LG&E electric, and LG&E gas.

A-82. No, see the response to Question No. 81.

LOUISVILLE GAS AND ELECTRIC COMPANY

Response to Attorney General and the Kentucky Industrial Utility Customers' Initial Request for Information Dated July 3, 2025

Case No. 2025-00114

Question No. 83

Responding Witness: Chad E. Clements

Q-83. Indicate whether the Companies have included an NOLC DTA in rate base. If so, indicate where this is included in rate base (cite schedule(s) and/or workpaper(s) and line item(s)) and where it is calculated and allocated to KU electric, LG&E electric, and LG&E gas.

A-83. The Companies do not have an NOLC DTA and therefore it is not included in rate base.

LOUISVILLE GAS AND ELECTRIC COMPANY

Response to Attorney General and the Kentucky Industrial Utility Customers' Initial Request for Information Dated July 3, 2025

Case No. 2025-00114

Question No. 84

Responding Witness: Julissa Burgos

Q-84. Provide the PPL capitalization by component and the cost of its short-term debt and long-term debt components on both a consolidated and nonconsolidated basis at December 31, 2024, and at the end of each subsequent month for which actual information is available.

A-84. Please see the table below for the capitalization for PPL on a consolidated basis. There is no "non-consolidated" environment at the PPL level at this time.

PPL Capitalization (in millions)

	31-Dec-24	31-Jan-25	28-Feb-25	31-Mar-25	30-Apr-25	31-May-25
Short-Term Debt	303	380	377	778	784	910
Long-term Debt	16,503	16,504	16,505	16,507	16,508	16,509
Total Debt	16,806	16,884	16,882	17,285	17,292	17,419
Total Equity	14,077	14,265	14,197	14,297	14,378	14,245
Total Capitalization	30,883	31,149	31,079	31,582	31,670	31,664
Debt/Capitalization Ratio	54%	54%	54%	55%	55%	55%
Interest Expense*	738	741	744	749	752	756
Cost of Debt (Int. Exp / Total Debt)	4.39%	4.39%	4.41%	4.33%	4.35%	4.34%

**12 Month Ending Interest Expense*

LOUISVILLE GAS AND ELECTRIC COMPANY

Response to Attorney General and the Kentucky Industrial Utility Customers' Initial Request for Information
Dated July 3, 2025

Case No. 2025-00114

Question No. 85

Responding Witness: Andrea M. Fackler / Christopher M. Garrett / Drew T. McCombs

Q-85. Refer to Schedule B-5.2, page 5 of 6, which provides the 13-month average amounts of Additional Sources and Uses of Cash Working Capital in Rate Base for each Company.

a. Provide a detailed schedule of all amounts included in the per books amount of Cash Working Capital in the accounts listed on this schedule by subaccount for each month in 2024, during the base year, for the months September through December 2025, and during the test year. Be sure to provide the subaccount description and amounts for each of the per books sub accounts.

b. Provide a description of the prepaid pension in account 128. Confirm that the amount in this account is simply the excess of the pension trust fund assets over the accumulated pension obligation.

c. Provide all support for the prepaid pension in account 128, including a copy of the actuarial report relied on for this purpose, if any, and the calculation of the test year amount utilizing an annotated version of the actuarial report to the extent relied on for this purpose.

d. Provide a description of the Regulatory Asset – FAS 158 Pension in account 182.

e. Provide all support for the Regulatory Asset – FAS 158 Pension, including a copy of the actuarial report relied on for this purpose, if any, in the calculation of the test year amount utilizing an annotated version of the actuarial report to the extent relied on for this purpose.

f. Provide a description of the accumulated provision for postretirement benefits in account 228.3. Confirm that the amount in this account is simply the excess of the accumulated OPEB obligation over the OPEB trust fund assets.

g. Provide all support for the accumulated provision for postretirement benefits in account 228.3, including a copy of the actuarial report relied on for this purpose, if any, in the calculation of the test year amount utilizing an annotated version of the actuarial report to the extent relied on for this purpose.

h. Provide a description of the Regulatory Liability – Post Retirement in account 254.

i. Provide all support for the Regulatory Liability – Post Retirement, including a copy of the actuarial report relied on for this purpose, if any, in the calculation of the test year amount utilizing an annotated version of the actuarial report to the extent relied on for this purpose.

j. Explain why there is no OPEB clearing account similar to that for pension clearing in account 184.

k. Confirm that it is the Companies' practice not to include regulatory assets in rate base, except for the requested Regulatory Asset – FAS 158 Pension shown on this schedule. If confirmed, then describe the basis for this practice. Cite to Commission orders to the extent relied on for this purpose.

l. Confirm that it is the Companies' practice not to include regulatory liabilities in rate base, except for the requested Regulatory Liability – Post Retirement shown on this schedule. If confirmed, then describe the basis for this practice. Cite to Commission orders to the extent relied on for this purpose.

A-85.

a. See attachment being provided in a separate file.

b. The prepaid pension in account 128 on Schedule B-5.2, page 5 of 6, is the thirteen-month average from December 2025-December 2026 of the forecasted prepaid pension. The balance represents an excess of pension trust fund assets allocated to LG&E over PBO. The forecast was derived by taking the actual balance of the account as of February 2025 and projecting it forward based upon forecasted pension service cost, interest cost, and estimated return on assets as well as forecasted pension contributions.

c. See page 1 of the attachment being provided in a separate file. Portions of the attachment that are nonresponsive to the request have been redacted.

d. The Regulatory Asset – FAS 158 Pension in account 182 on Schedule B-5.2, page 5 of 6, is the thirteen-month average from December 2025-

December 2026 of the forecasted pension regulatory asset. The balance represents accumulated unamortized prior service costs and net actuarial losses of the plan. The forecast was derived by taking the actual balance of the account as of February 2025 and projecting it forward based upon forecasted amortization of prior service cost and gains and losses as well as quarterly adjustments for regulatory assets allocated from LG&E and KU Services Company (LKS) to LG&E for LG&E's portion of the difference in the double corridor and 15-year amortization for LKS.

e. See page 2 of the attachment being provided in a separate file. Portions of the attachment that are nonresponsive to the request have been redacted.

f. The accumulated provision for postretirement benefits in account 228.3 on Schedule B-5.2, page 5 of 6, is the thirteen-month average from December 2025-December 2026 of the forecasted postretirement and post-employment liabilities. The postretirement liability balance represents an excess of projected postretirement obligation over the trust fund assets allocated to LG&E. The forecast for postretirement was derived by taking the actual balance of the account as of February 2025 and projecting it forward based upon forecasted service cost, interest cost, and estimated return on assets as well as forecasted contributions. The Company does not project changes to the post-employment liability for the forecast. Therefore, the postemployment liability balance in the account as of February 2025 is held constant throughout the forecast period.

g. See page 3 of the attachment being provided in a separate file. Portions of the attachment that are nonresponsive to the request have been redacted.

h. The Regulatory Liability - Postretirement in account 254 on Schedule B-5.2, page 5 of 6, is the thirteen-month average from December 2025-December 2026 of the forecasted postretirement regulatory liability. The balance represents accumulated unamortized prior service costs and net actuarial gains of the plan. The forecast was derived by taking the actual balance of the account as of February 2025 and projecting it forward based upon forecasted amortization of prior service cost and gains and losses.

i. See page 4 of the attachment being provided in a separate file. Portions of the attachment that are nonresponsive to the request have been redacted.

j. The balance shown in account 184 Pension Clearing is the actual balance of the account for burdens for pension, postretirement, and post-employment as of February 2025 and is held constant throughout the forecast period. The forecasted pension expense is reflected as changes in the Prepaid Pension account 182 for service cost, interest cost, and estimated return on assets and in the Regulatory Asset – FAS 158 Pension account for amortizations of prior service cost and actuarial gains and losses. The forecasted postretirement expense is reflected as changes in the accumulated provision for postretirement benefits account 228.3 for service cost, interest cost, and estimated return on asset and in Regulatory Liability – Postretirement account 254 for amortizations of prior service cost. The Company does not project post-employment expenses in the forecast.

k. Confirmed. This approach is consistent with previous filings.[4] The Companies believe the exclusion of other regulatory assets and liabilities from rate base is supportive of its position to utilize capitalization as its valuation methodology since the Companies' regulatory assets and liabilities are directly related to utility operations. Accordingly, the associated cash outflows or inflows should result in both investors (regulatory assets) and customers (regulatory liabilities) being fairly compensated for the use of those funds.

As it relates to the inclusion of the Regulatory Asset – FAS 158 balance in rate base, the Companies incorporated all balance sheet items associated with pension accounts to reflect the net cash position (funding vs expense). This approach ensures the balance sheet and income statement are appropriately aligned for ratemaking purposes consistent with the settlement agreement reached in Case Nos. 2014-00371 and 2014-00372 whereby the Parties agreed the Commission should approve regulatory-asset treatment for the difference between the Companies' pension expense booked according to its accounting policy on record with the Securities and Exchange Commission and in accordance with Generally Accepted Accounting Principles ("GAAP") and pension expense with actuarial gains and losses amortized over 15 years. Additionally, the Virginia State Corporation Commission approved the inclusion of this regulatory asset in rate base in KU's previous four Virginia base rate cases[5].

l. Confirmed. This approach is consistent with previous filings.[6] The Companies believe the exclusion of other regulatory assets and liabilities from rate base is supportive of its position to utilize capitalization as its valuation methodology since the Companies' regulatory assets and liabilities are directly related to utility operations. Accordingly, the associated cash outflows or inflows should result in both investors (regulatory assets) and customers (regulatory liabilities) being fairly compensated for the use of those funds.

[4] Case No. 2018-00295, Order (Ky. PSC Apr. 30, 2019); Case No. 2020-00350, Order (Ky. PSC Jun. 30, 2021).
[5] Case Nos. PUR 2017-00106, PUR 2019-00060, PUR 2021-00171, and PUR-2024-00052.
[6] Case No. 2018-00295, Order (Ky. PSC Apr. 30, 2019); Case No. 2020-00350, Order (Ky. PSC Jun. 30, 2021).

As it relates to the inclusion of the Regulatory Liability – Post Retirement balance in rate base, the Companies incorporated all balance sheet items associated with postretirement accounts to reflect the net cash position (funding vs expense).

LG&E does not have a Regulatory Liability – Post Retirement balance; therefore, nothing was included on Schedule B-5.2.

LOUISVILLE GAS AND ELECTRIC COMPANY

Response to Attorney General and the Kentucky Industrial Utility Customers' Initial Request for Information Dated July 3, 2025

Case No. 2025-00114

Question No. 86

Responding Witness: Christopher M. Garrett / Vincent Poplaski

Q-86. Refer to the disallowance of costs referenced on pages 13-15 of the June 22, 2017 Order in Kentucky Utilities, Inc. Case No. 2016-00370 and to pages 16-17 of the June 22, 2017 Order in Louisville Gas and Electric Company Case No. 2016-00371. For employees who participate in a defined benefit plan, provide the total and jurisdictional amount of matching contributions made on behalf of employees who also participate in any 401-K retirement savings account for each Company if the Commission applied the same methodology for a similar disallowance in the instant proceeding. If the Companies made adjustments to remove portions of expenses in the filings, cite to the amounts and locations removed.

A-86. After the Orders referenced in this question were issued, the Companies filed their 2020 rate cases (Case Nos. 2020-00349 and 2020-00350). In those cases, their filed position on this issue was that no disallowance of 401k contribution costs should be made for those employees also participating in a defined pension benefit plan. A Stipulation and Recommendation was reached in those cases and it included specific compromised amounts leading to the stipulated and recommended revenue requirements. A disallowance of the 401k costs referenced in this question was not one of those compromised amounts. The Commission approved the Stipulation and Recommendation with modifications by Order of June 30, 2021, but without making any disallowance for the subject 401k costs. The Companies' filed position in this case is the same as it was in the 2020 cases that these 401k costs should not be disallowed. For the amounts requested in this question, see the attachment being provided in a separate file.

LOUISVILLE GAS AND ELECTRIC COMPANY

Response to Attorney General and the Kentucky Industrial Utility Customers' Initial Request for Information Dated July 3, 2025

Case No. 2025-00114

Question No. 87

Responding Witness: Andrea M. Fackler / Drew T. McCombs / Heather D. Metts

Q-87. Refer to Schedule B-5 page 2 of 2 at line 3, which provides the 13 month average amounts of Prepayments in Rate Base for each Company. Provide a detailed schedule of all amounts included in the per books amount of prepayments in FERC account 165 by subaccount for each month in 2024, during the base year, for the months September 2025 through December 2025, and during the test year. Be sure to provide the subaccount description and amounts for each of the per books sub accounts. For all amounts in FERC account 165 subaccounts not reflected on Schedule B-5, including contra-asset amounts, explain why they are not reflected.

A-87. See attachment being provided in a separate file. Schedule B-5 does not reflect amounts related to the KPSC Assessment. Pursuant to the KPSC Order issued in Case No. 2000-00080 dated September 27, 2000, the KPSC Assessment should not be included in the calculation of rate base.

LOUISVILLE GAS AND ELECTRIC COMPANY

Response to Attorney General and the Kentucky Industrial Utility Customers' Initial Request for Information Dated July 3, 2025

Case No. 2025-00114

Question No. 88

Responding Witness: Andrea M. Fackler

Q-88. Refer to the Direct Testimony of Andrea Fackler at 46 wherein she defines "cash working capital" as follows:

Cash working capital is the amount of capital provided by investors over and above the investment in plant and other rate base items that the Companies need to fund day-to day operations to serve customers. Cash working capital bridges the timing gap between expenditures that are required to provide service and collections received for such services.

a. Identify and provide a citation to and/or copy of each authoritative source relied on for this definition of cash working capital.

b. Confirm that replacing the term "expenditures" with the term "cash expenses" and the term "collections" with the term "cash revenues" results in a more refined and accurate definition of cash working capital within the ratemaking context. Explain your response.

A-88.

a. Ms. Fackler did not rely on a specific source for this definition. It is based on her general knowledge of cash working capital.

b. Neither confirmed nor denied. The referenced testimony provides a further description of cash working capital as the difference between the revenue lag and expense lead. The revenue lag represents the number of days from the date service was rendered by the Companies until the date payment was received from customers and the funds are deposited and available to the Companies. The expense lead represents the number of days from the midpoint of the service period of the expense to the date the expenditure was paid by the Companies.

LOUISVILLE GAS AND ELECTRIC COMPANY

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Case No. 2025-00114

Question No. 89

Responding Witness: Andrea M. Fackler

Q-89. Refer to the Direct Testimony of Andrea Fackler at 50 wherein she states: "payments for coal, reagents, and oil are all paid initially by the Companies' affiliate, LG&E and KU Services Company ("LKS")."

a. Confirm that payments to LKS for coal, reagents, and oil are based on purchases of these commodities on behalf of the Companies for future use in the Companies' power plants.

b. Confirm that such purchases are recorded on the Companies' accounting books in inventory accounts offset by payables to LG&E and KU Services Company, then recorded to expense as the inventories are consumed at the power plants.

c. Confirm the Companies included coal, reagents, and oil inventories in rate base.

d. Confirm the Companies did not subtract accounts payable for coal, reagents, and oil inventories from rate base.

A-89.

a. Confirmed.

b. Confirmed.

c. Confirmed.

d. Confirmed.

LOUISVILLE GAS AND ELECTRIC COMPANY

Response to Attorney General and the Kentucky Industrial Utility Customers' Initial Request for Information
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Case No. 2025-00114

Question No. 90

Responding Witness: Charles R. Schram

Q-90. Refer to tab BS numbered line "Account 151.0 Fuel Inventory" in 2025 PSC DR1 KU Attach to Q54-Sch B and in 2025 PSC DR1 LGE Attach to Q54-Sch B_Electric.

a. Provide the source data for the amounts shown on this line by fuel type. Describe how the Companies forecast these amounts, including all assumptions, e.g., coal prices per ton reflected in coal inventories.

b. Provide a detailed explanation why the coal inventory amounts were significantly greater in the test year compared to 2024, the base year, and 2025. Indicate to what extent the increase in the test year was due to increased contract and market pricing and the effects on the weighted average cost per ton in inventory versus the increases in the tons held in inventory.

c. Provide the average monthly tons in inventory for each month from January 2022 through December 2026 by type of coal and by plant (generating unit if available). Explain any significant changes in the tons in inventory, e.g., change in plant operating status.

A-90.

a. See attachment being provided in a separate file. The source data with cost per ton is included in the attachment. See p. 8, Section 3.1.2.1 of the "Generation Forecast Process" attachment to Filing Requirement Tab 16, Section 16(7)(c), Item G for a description of how the coal price forecast was developed, including the cost per ton.

b. When compared to the period August 2024 through December 2025 the Companies' monthly average coal inventory value of the test year is approximately $8.5 million (6.0%) higher. This variance is driven by an increase in the average cost of coal of approximately $1.08 per ton, accounting for approximately 34% of the variance, and an increase in the Companies' average monthly volume of coal of 102,000 tons, accounting for the remaining 66% of the variance. The actual average monthly inventory volume for the last four months of 2024 was lower than normal due to an inventory adjustment in September 2024. This adjustment was identified during the physical survey of the coal piles in August.

c. See attachment being provided in a separate file. The volumes (in tons) of coal inventory are included in the attachment. Coal inventory normally follows a seasonal pattern of increasing during the low burn periods of spring and fall and decreasing during high burn periods of winter and summer. Coal inventory in 2022 was unusually low because of a worldwide energy supply shortage that began in 2021 following Russia's invasion of the Ukraine. This resulted in limited domestic coal availability and record coal prices. The Companies were able to mitigate the impact of price increases on customers by utilizing coal inventory in lieu of buying coal at record prices. When coal availability improved and prices retreated in 2023, the Companies rebuilt inventory. The drop in September 2024 inventory was the result of an inventory adjustment identified during the August physical survey of the coal piles.

The Companies evaluate coal inventory targets annually and have increased inventory targets due to increased risks in the coal supply chain primary driven by coal market contraction and consolidation.

LOUISVILLE GAS AND ELECTRIC COMPANY

Response to Attorney General and the Kentucky Industrial Utility Customers' Initial Request for Information
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Case No. 2025-00114

Question No. 91

Responding Witness: Julissa Burgos

Q-91. Refer to the Direct Testimony of Andrea Fackler at 52 wherein she provides a summary of the cash working capital lead and lag days.

a. Confirm that the Companies pay cash dividends to their equity shareholder.

b. Identify the Companies' equity shareholder and describe the path of the dividend payments through upstream affiliates and ultimately to PPL.

c. Provide a quarterly history from fourth quarter 2019 through the most recent quarter for which actual information is available of the Companies' equity dividends showing the dollar earnings in each quarter, the date and amount of the dividends declared in each quarter, and the date and amount of the dividends paid in the current or following quarter.

d. Provide a copy of all documentation describing the Companies' present equity dividend policy.

e. Confirm that PPL pays cash dividends to its common equity shareholders.

f. Provide a quarterly history from fourth quarter 2019 through the most recent quarter for which actual information is available of PPL's common equity dividends showing the dollar earnings in each quarter, the date and amount of the dividends declared in each quarter, and the date and amount of the dividends paid in the current or following quarter.

g. Provide a copy of all documentation describing PPL's present equity dividend policy.

A-91.

a. Confirmed.

b. LG&E and KU Energy LLC, a subsidiary of PPL is the parent of LG&E, KU. LG&E and KU pay dividends to LG&E and KU Energy LLC. LG&E and KU Energy LLC distributes dividends through PPL Energy Holdings

LLC, which distributes dividends to PPL Subsidiary Holdings LLC, which distributes dividends to PPL Corporation. PPL Corporation pays dividends to the common shareholders as approved by the Board of Directors.

c. See attachment being provided in a separate file. Dividends paid during the period requested are based on 65% of prior quarter earnings.

d. The Companies do not have a formal dividend policy.

e. Confirmed.

f. See attachment being provided in a separate file.

g. PPL does not have a formal dividend policy. Any dividends are subject to approval by the Board of Directors of PPL.

LOUISVILLE GAS AND ELECTRIC COMPANY

Response to Attorney General and the Kentucky Industrial Utility Customers' Initial Request for Information Dated July 3, 2025

Case No. 2025-00114

Question No. 92

Responding Witness: Chad E. Clements / Andrea M. Fackler

Q-92. Refer to Tab B-5.2.1 F on 2025 PSC DR1 KU Attach to Q54 – Sch B, Tab B-5.2.1 F on 2025 PSC DR1 LGE Attached to Q54 – Sch B_Electric, and Tab B-5.2.1 F on 2025 PSC DR1 LGE Attached to Q54 – Sch B_Gas.

a. Explain what the "-" indicates when it is used in the Expense (Lead)/Lag Days column. Does it indicate 0 or infinity (lead)/lag days.

b. Confirm that depreciation expense, amortization expense, and deferred income tax expense are non-cash expenses, meaning there is never an outlay or an avoided outlay of cash for the expense. If denied, then explain your response; address the outlay of cash for the asset or an avoided outlay of cash for the liability and describe specifically when and under what circumstances there is a second outlay of or an avoided outlay of cash for the expense.

c. Confirm that negative 15 expense (lead)/lag days means that cash is paid for the expense at the end of a 30-day service period.

d. Confirm that 0 expense (lead)/lag days means that cash is paid instantaneously at the beginning of the service period.

e. Indicate whether the Companies record sales taxes as revenues and expense or if the Companies are considered agents and the collections and disbursements are recorded only as assets and liabilities on the balance sheet. Provide all documentation relied on for your response.

f. Provide illustrative accounting journal entries on the accounting timeline for the "school taxes," including the valuation date each year, liability recording date, expense recording dates, and payment dates.

A-92.

a. The "-" used in the Expense (Lead)/Lag Days column on Tab B-5.2.1 F of the referenced files indicates 0 (lead)/lag days. This could be for varying reasons depending on the financial item in the Description column. For example, 0 (lead)/lag days are input for Pension and OPEB expense because the Company captures these expenses through the balance sheet analysis as discussed in the Fackler Direct Testimony, page 53. For depreciation and amortization of regulatory assets and liabilities, 0 (lead)/lag days are used because these expenses are non-cash with respect to the amounts included in the Company's test year in this case. Cash was outlaid at different points in time (e.g., when a capital asset was being constructed, when storm restoration from a major storm was incurred and costs were paid, etc.). Therefore, the Company does not need to recognize a cash outlay for these items but does need to recognize the lag in when the expense will be collected from customers, which is reflected in the Revenue Lag Days column on Tab B-5.2.1 F.

b. Neither confirmed nor denied. Although the referenced items are characterized as non-cash items, there is a cash component to these items. For example, lead days for depreciation and amortization expenses are zero to reflect the expenses are deducted from rate base when the expenses are recorded. This represents the non-cash component. However, depreciation and amortization expenses are included in the cash working capital to reflect the Companies must wait to receive the return of the invested capital by the length of the revenue lag. This is the cash component.

c. The Company is unclear where the negative 15 expense (lead)/lag days is sourced in the referenced file. However, negative expense lead days typically imply that an expense was paid in advance. As such, negative 15 expense (lead) days would be a possible result if cash is paid at the *beginning* of a 30-day service period rather than at the end.

d. A 0 expense (lead)/lag day could mean that cash is paid instantaneously when a service has been provided to the Companies. For example, when the Company issues a commercial paper borrowing, the interest due on the borrowing is paid out of the proceeds upon issuance rather than at maturity. See also the response to part (a).

e. The Companies are considered agents and record sales tax collected on customer bills to FERC account 241, Tax collections payable. The liability is relieved when the sales tax is remitted to the applicable tax authority.

f. Similar to sales tax, school tax is a pass-through tax collected on customer bills and remitted to the applicable tax authorities in the following month. School taxes are recorded to customer accounts receivable (FERC account 142, Customer accounts receivable) and the offsetting liability (FERC account 241, Tax collections payable) in the month when collected. The receivable is relieved when the customer's bill is paid, and the liability is relieved when the school tax is remitted to the applicable tax authorities.

LOUISVILLE GAS AND ELECTRIC COMPANY

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Case No. 2025-00114

Question No. 93

Responding Witness: Chad E. Clements / Christopher M. Garrett / John J. Spanos

Q-93. Refer to the Brown Wind facility that entered service in 2023 (see Exhibit JJS-KU-1 at III-7 and Exhibit JJS-LG&E-1 at III-9).

a. Indicate whether the Company elected ITCs or PTCs for this facility.

b. If the Company elected ITCs, confirm that the Company could elect out of the normalization requirements for ITC pursuant to the Inflation Reduction Act enacted in August 2022.

c. If the Company elected ITCs, confirm that the Company elected out of the normalization requirements for ITC pursuant to the Inflation Reduction Act enacted in August 2022. If it did not, then explain in detail why it did not and provide a copy of all analyses, studies, and communications that addressed the election and the Company's decision not to elect out of the normalization requirements for ITC.

d. If the Company elected ITCs, then provide the ITCs that were deferred, including the calculation, based on the tax basis at the in-service date, and the amortization of the deferral by month since the in-service date. In addition, provide the deferred ITC subtracted from rate base and the amortization by month for the base year, the bridge period between the end of the base year and the beginning of the test year, and the test year, and references to the relevant schedules and workpapers showing these amounts.

e. If the Company elected PTCs, then provide the PTCs that were generated, including the calculation, by month since the in-service date through the most recent month for which actual information is available, the budget/forecast PTCs by month during the bridge period between the end of the base period and the beginning of the test year, and by month during the test year. Indicate whether the PTCs were recorded to income as generated or deferred for future amortization to customers.

f. Refer to Exhibit JJS-KU-1 at III-7 and Exhibit JJS-LG&E-1 at III-9. Provide the source of the estimated 25-year life span for this facility.

A-93.

a. The Company claimed an ITC for the Brown Wind Facility.

b. The ITC normalization opt-out provision under Internal Revenue Code (IRC) Section 50(d)(2) as amended by the Inflation Reduction Act is only available for IRC Section 48/48E credits claimed on “energy storage technology” property. The Brown Wind Facility ITC was claimed under IRC Section 48 as “qualified small wind energy” property on the Company’s 2023 federal income tax return and therefore is not eligible to elect out of ITC normalization requirements.

c. See the response to part (b).

d. See attachment being provided in a separate file. For ratemaking purposes, LG&E does not reduce rate base by the unamortized balance of the ITC. Rather, the ratable financial amortization of the ITC over the service lives of the related property is treated as a reduction of the cost of service (it is amortized above the line). Investment Tax Credit amortization is reflected as a reduction to total operating expenses on Schedule C of the filing requirements

e. The Company did not elect PTCs for the Brown Wind Facility

f. The 25 year life span for wind generation is the most common life span in the industry. It considers the economic and physical life of each of the components of a wind farm. It considers the size of the turbines and if repowering was to occur what changes would be required as well as the overall design of the wind turbines.

LOUISVILLE GAS AND ELECTRIC COMPANY

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Case No. 2025-00114

Question No. 94

Responding Witness: Lonnie E. Bellar / John J. Spanos

Q-94. Refer to the Brown and Simpsonville Solar facilities that entered service in 2016 through 2021 (see Exhibit JJS-KU-1 at III-7 and Exhibit JJS-LG&E-1 at III-9). Provide the original source of the estimated 25-year life span for each of these facilities and all subsequent determinations by the Company, engineering firms, and/or outside experts, including all third-party engineering analyses, that the 25-year life was and/or remains valid.

A-94. The Brown and Simpsonville Solar facility life spans were established in the prior depreciation study as 25 years. The 25-year life span was the most common life span for the type of solar facilities that are located at Brown and Simpsonville within the industry. The life spans or depreciable life are consistent with the overall life cycle of solar facilities which are supported by the expectation of manufacturers and consistent with the efficiencies of the solar facilities based on their major components.

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Case No. 2025-00114

Question No. 95

Responding Witness: Lonnie E. Bellar / John J. Spanos

Q-95. Refer to the Trimble 2 generating unit that entered service in 2011 (see Exhibit JJS-KU-1 at III-6 and Exhibit JJS-LG&E-1 at III-8). Provide all support for the estimated 55 years life span. Explain why this should not be extended to 60 years given the actual experience with the Brown, Ghent, and Mill Creek generating units.

A-95. The 55 year life span for Trimble 2 generating unit has been in place for many years. The 55-year life span is longer than almost all other steam facilities built after year 2000. In recent years, steam facilities have been retired with an average life span of 50 years or less. There are many regulations and efficiencies that have driven the overall life cycle of steam facilities to be shorter. One of the strongest factors is that steam facilities do not operate as base load units as they have in the past which creates more issues with life expectancies. Some of the units at Ghent and Mill Creek are not expected to stay in operation as long as Trimble 2. Additionally, Trimble Unit 2 has some components that were built in 1990 with Unit 1 so the updated life span is 55 years is not the overall life span.

LOUISVILLE GAS AND ELECTRIC COMPANY

Response to Attorney General and the Kentucky Industrial Utility Customers' Initial Request for Information Dated July 3, 2025

Case No. 2025-00114

Question No. 96

Responding Witness: Lonnie E. Bellar / John J. Spanos

Q-96. Refer to the Ghent 2 generating unit that entered service in 1977, three years after Ghent 1 (see Exhibit JJS-KU-1 at III-6). Provide all support for the estimated 57 years life span. Explain why the life span for Ghent 2 should not be extended to 60 years given the estimated life span for Ghent 1.

A-96. The 57 year life span for Ghent 2 generating unit has been in place for many years. A 57 year life span is longer than many other steam facilities built in the 1970s. In recent years, steam facilities have been retired with an average life span of 50 years or less. The 2034 probable retirement date is the most appropriate life expectation for Ghent 2 given regulations, efficiencies and timing of major anticipated plant investment to keep the unit running within the Company plans. There is no significance to a 60 year life span.

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Case No. 2025-00114

Question No. 97

Responding Witness: Lonnie E. Bellar / John J. Spanos

Q-97. Refer to Exhibit JJS-KU-1 at III-6 for KU and 25-2025_PSC_DR1_LGE_Attach_to_Q32_-_LGE_Depreciation_Study for LG&E at III-8 and III-9).

a. Refer to the Ghent 3 and Ghent 4 generating units that entered service in 1981 and 1984, respectively. Provide all support for the estimated 56 years life span for Ghent 3 and the estimated 53 years life span for Ghent 4.

b. Explain why the life spans for Ghent 3 and Ghent 4 should not be at least 60 years, given the estimated 60 years life span for Ghent 1.

c. Refer to the Mill Creek 3 and Mill Creek 4 generating units that entered service in 1978 and 1981, respectively. Provide all support for the estimated 61 years life span for Mill Creek 3 and the estimated 57 years life span for Mill Creek 4.

d. Explain why the life span for Mill Creek 4 should not be at least 60 years, given the 60 years life span for Ghent 1 and the 61 years life span for Mill Creek 3.

e. Explain why Trimble County 2 has two in-service dates, 1990 and 2011, with a probable retirement date of 2066 and 76 years and 55 years life spans.

f. Refer to the Trimble County 1 and Trimble County 2 generating units that entered service in 1990 and 2011, respectively. Provide all support for the estimated 55 years life span for each of the units.

g. Explain why life spans for Trimble County 1 and Trimble County 2 should not be at least 60 years, given the 60 years life span for Ghent 1 and the 61 years life span for Mill Creek 3.

A-97.

a. The 56-year life span for Ghent 3 and the 53-year life span for Ghent 4 have been in place since 2017. In recent years steam facilities have been retired with an average life span of 50 years or less. There are many regulations and efficiencies that have driven the overall life cycle of steam facilities to be shorter. One of the strongest factors is that steam facilities do not operate as base load units as they have in the past which creates more issues with life expectancies.

b. See the response to part (a).

c. The 61-year life span for Mill Creek 3 and the 57-year life span for Mill Creek 4 have been in place since June 30, 2020. In recent years steam facilities have been retired with an average life span of 50 years or less. There are many regulations and efficiencies that have driven the overall life cycle of steam facilities to be shorter. One of the strongest factors is that steam facilities do not operate as base load units as they have in the past which creates more issues with life expectancies.

d. See the response to part (c).

e. Trimble County Unit 2 has some components that were built in 1990 with Unit 1. However, the majority of the components associated with Trimble County Unit 2 were constructed in 2011.

f. See the response to Question No. 95.

g. The 55-year life span for Trimble County 1 has been in place since June 30, 2020 and Trimble County 2 has been in place for many years. In recent years steam facilities have been retired with an average life span of 50 years or less. There are many regulations and efficiencies that have driven the overall life cycle of steam facilities to be shorter. One of the strongest factors is that steam facilities do not operate as base load units as they have in the past which creates more issues with life expectancies.

LOUISVILLE GAS AND ELECTRIC COMPANY

Response to Attorney General and the Kentucky Industrial Utility Customers' Initial Request for Information Dated July 3, 2025

Case No. 2025-00114

Question No. 98

Responding Witness: Lonnie E. Bellar / John J. Spanos

Q-98. Refer to the Direct Testimony of John Spanos at 20 wherein he states: "These Simpsonville assets are based on the comparable interim survivor curves and 25-year life spans. The plans for the Marion and Mercer solar facilities will utilize newer design and utilize a 30-year life span." Provide a detailed description as to the differences in the "design" between the new Simpsonville Solar assets and the new Marion and Mercer Solar assets and how the differences in "design" justify a 25-year life span for Simpsonville and a 30-year life span for Marion and Mercer. Provide all studies, analyses, communications, and all other documentation involving these life spans.

A-98. The materials to be utilized when constructing the Marion and Mercer solar facilities will be of high quality to include lower degradation rates which will allow for a higher level of efficiency over a longer period of time. The primary difference will be related to the solar panels utilized. The solar panels to be used for the Marion and Mercer solar facilities are expected to maintain higher levels of efficiency over a longer periods of time justifying an expected life span of 30 years rather than 25 years. Additionally, the life cycles of the inverters in the newer designs have longer life cycles.

LOUISVILLE GAS AND ELECTRIC COMPANY

Response to Attorney General and the Kentucky Industrial Utility Customers' Initial Request for Information Dated July 3, 2025

Case No. 2025-00114

Question No. 99

Responding Witness: Lonnie E. Bellar / John J. Spanos

Q-99. Refer to Exhibit JJS-KU-1 at III-6 for KU and 25-2025_PSC_DR1_LGE_Attach_to_Q32_-_LGE_Depreciation_Study for LG&E at III-8.

a. Provide all support for the 40 years life span for the Companies' CTs.

b. Provide all support for the 40 years life span for the Cane Run 7 CC.

A-99.

a. The 40-year life span associated with the Company's CTs has been in place since June 30, 2020. The 40-year life span is also consistent with many similar CT units employed by other electric utilities within the United States.

b. The 40-year life span associated with the Cane Run 7 Combined Cycle unit has been in place since it went into service in 2015. The 40-year life span is also consistent with expectations of most similar Combined Cycle units in service for other electric utilities within the United States.

LOUISVILLE GAS AND ELECTRIC COMPANY

Response to Attorney General and the Kentucky Industrial Utility Customers' Initial Request for Information Dated July 3, 2025

Case No. 2025-00114

Question No. 100

Responding Witness: Christopher M. Garrett

Q-100. Refer to the Direct Testimony of Christopher Garrett at 18 wherein he states: "The Companies have kept the depreciation rates unchanged for Brown 3 and Mill Creek 2 consistent with the stipulation agreement reached in Case Nos. 2020-00349 and 2020-00350. Provide the depreciation study that developed the present Brown 3 and Mill Creek 2 depreciation rates. Identify the Case number where those depreciation rates were initially adopted.

A-100. Refer to Exhibit JJS-LG&E-1 in Case No. 2018-00295 for the requested depreciation study.

LOUISVILLE GAS AND ELECTRIC COMPANY

Response to Attorney General and the Kentucky Industrial Utility Customers' Initial Request for Information
Dated July 3, 2025

Case No. 2025-00114

Question No. 101

Responding Witness: Christopher M. Garrett / John J. Spanos

Q-101. Refer to the Direct Testimony of Christopher Garrett at 18 wherein he describes the Company's decision to reject the depreciation rates recommended by Witness Spanos for Brown 3 and Mill Creek 2.

a. Provide a copy of all communications with Witness Spanos in which the Company directed that certain assumptions or parameters be used and/or in which the Company proposed modifications to the depreciation rates developed by Witness Spanos.

b. Provide a copy of all communications with Witness Spanos that addressed whether the thermal production plant accounts depreciation rates should include terminal net salvage.

c. Indicate whether the Company or Witness Spanos decided to include terminal net salvage in the thermal production plant accounts depreciation rates. If Witness Spanos made this decision, then describe the Company's review and agreement with this decision.

d. Provide a copy of all communications with Witness Spanos that addressed whether the thermal production plant accounts depreciation rates should include interim retirements and interim net salvage.

e. Indicate whether the Company or Witness Spanos decided to include interim retirements and interim net salvage in the thermal production plant accounts depreciation rates. If Witness Spanos made this decision, then describe the Company's review and agreement with this decision.

A-101.

a. See attachment being provided as a separate file for email correspondence.

b. See the response to part (a).

c. The Company discussed the inclusion of terminal net salvage for thermal production plant accounts with Mr. Spanos given the Commission's stance on this issue. Ultimately, both parties collectively agreed that terminal net salvage should be included in depreciation rates as evidenced by the email from Mr. Garrett to Mr. Spanos dated November 25, 2024 and included in the attachment referenced in part (a).

d. See the response to part (a).

e. Mr. Spanos recommended maintaining the weighted net salvage percentage approach which was consistent with previous studies and the Company was in agreement with his recommendation. There was no discussion as to whether interim retirements and interim net salvage was to be included in thermal production plant. The concept in the email was whether interim retirements and interim net salvage should be applied to all plant investment to replace the concept of terminal net salvage. Therefore, Mr. Spanos proposed inclusion of interim retirements and interim net salvage for all investment for thermal production plant accounts in order to replace the terminal net salvage component.

LOUISVILLE GAS AND ELECTRIC COMPANY

Response to Attorney General and the Kentucky Industrial Utility Customers' Initial Request for Information Dated July 3, 2025

Case No. 2025-00114

Question No. 102

Responding Witness: John J. Spanos

Q-102. Refer to Exhibit JJS-KU-1 at VI-4 through VI-11 and to Exhibit JJS-LG&E-1 (provided in 25-2025_PSC_DR1_LGE_Attach_to_Q32_-_LGE_Depreciation_Study) at pages VI-4 through VI-14.

a. Provide a version of these schedules without terminal net salvage on the production plant accounts. Provide these schedules in an Excel workbook in live format and with all formulas intact.

b. Provide a version of these schedules without interim retirements and without net salvage on all plant accounts. Provide these schedules in an Excel workbook in live format and with all formulas intact.

A-102.

a. See attachments being provided in separate files. The files set forth summarized depreciation rates and expense with terminal net salvage for production plant accounts removed. The second table for each Company represents the revised weighted net salvage calculation that is used in the calculation of the depreciation rates and expense.

b. There are no interim retirements for mass property accounts and excluding the net salvage that has occurred or are anticipated to occur is not consistent with proper depreciation accounting. Removing interim retirements and net salvage would be not produce any depreciation rate for mass property assets.

LOUISVILLE GAS AND ELECTRIC COMPANY

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Case No. 2025-00114

Question No. 103

Responding Witness: Andrea M. Fackler / Drew T. McCombs / Heather D. Metts

Q-103. Refer to Tab BS on 2025 PSC DR1 KU Attach to Q54 – Sch B, Tab BS on 2025 PSC DR1 LGE Attached to Q54 – Sch B_Electric, and Tab BS on 2025 PSC DR1 LGE Attached to Q54 – Sch B_Gas lines 165.1-Prepayments-LT, 165.9 Prepaid Taxes, 174.01-Misc Current & Accounts Assets-oth, 190.0-Deferred Inc Tax, 190.3-Acc Def Inc Tax NC FASB 109, 182.1-Oth Reg Assets-Non Cur, 182.12 - Other Reg Assets NC Pens, 182.15 - Other Reg Assets NC ARO, 182.27 - Other Reg Assets Def Tax (Liab LT), 182.33 - Reg Asset - Pension Gain-Loss Amortization-15 Year, 182.45 - Other Reg Assets NC Plant Outage Norm, 182.776 - Other Reg Assets NC - AMI Legacy meters KPSC.

a. Provide a description of the costs reflected in each of these accounts.

b. Describe the cause and/or source of the costs reflected in each of these accounts and provide a description of how the amounts are calculated, including a description of the inputs and assumptions.

c. Describe the timing for those accounts which have $0 in the first or more of the early months in the August 2024 through December 2026 time period shown.

d. Provide a listing of all amounts by accounts/subaccounts that roll up to the monthly amounts shown.

A-103. See attachment being provided in a separate file.

LOUISVILLE GAS AND ELECTRIC COMPANY

Response to Attorney General and the Kentucky Industrial Utility Customers' Initial Request for Information Dated July 3, 2025

Case No. 2025-00114

Question No. 104

Responding Witness: Dylan W. D'Ascendis

Q-104. Provide all work papers and supporting documentation used and relied upon by Mr. D'Ascendis in the preparation of his Direct Testimony and exhibits. Provide all spreadsheets in Excel format with cell formulas intact.

A-104. See attachments being provided in separate files.

LOUISVILLE GAS AND ELECTRIC COMPANY

Response to Attorney General and the Kentucky Industrial Utility Customers' Initial Request for Information Dated July 3, 2025

Case No. 2025-00114

Question No. 105

Responding Witness: Dylan W. D'Ascendis

Q-105. Provide all spreadsheets and associated work papers and documentation for the charts included in Mr. D'Ascendis's Direct Testimony. Provide all spreadsheets with cell formulas intact.

A-105. See the response to Question No. 104.

LOUISVILLE GAS AND ELECTRIC COMPANY

Response to Attorney General and the Kentucky Industrial Utility Customers' Initial Request for Information Dated July 3, 2025

Case No. 2025-00114

Question No. 106

Responding Witness: Dylan W. D'Ascendis

Q-106. Refer to Mr. D'Ascendis's ROE recommendation.

a. Explain how Mr. D'Ascendis's 10.95% ROE was arrived at using the range of ROE results in his Table 16 in his Direct Testimony.

b. Was Mr. D'Ascendis's 10.95% ROE recommendation based on his judgement? If yes, explain how his judgement was applied. If not, explain any other processes used by Mr. D'Ascendis to quantify the 10.95% ROE.

A-106.

a. Mr. D'Ascendis did not apply specific weights to his analytical models to arrive at his ROE recommendation. Although the analytical models are quantitative in nature, their use still requires the application of judgment in the selection of data inputs, and in the interpretation of the analytical results. At any given time, each of the models provide some information, but that does not imply that each should consistently be given equal consideration. Given the range of results presented in Table 1 of Mr. D'Ascendis' Direct Testimony, Mr. D'Ascendis' ROE recommendation is somewhat below the midpoint of the range. Although, as noted above, he did not apply specific weights to his analytical models, his ROE recommendation below the midpoint of the range gives greater weight to the DCF, RPM, and CAPM results and less weight to the Non-Price Regulated Proxy Group results.

b. See the response to subpart (a).

LOUISVILLE GAS AND ELECTRIC COMPANY

Response to Attorney General and the Kentucky Industrial Utility Customers' Initial Request for Information
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Case No. 2025-00114

Question No. 107

Responding Witness: Julissa Burgos

Q-107. Provide the 13-month average capital structures for LG&E and KU for the years 2020 through 2024. Provide this response in Excel format with cell formulas intact. Include common equity, short-term debt, and long-term debt. Show both the amount of each form of capital and the percentages.

A-107. See attachment being provided in a separate file.

LOUISVILLE GAS AND ELECTRIC COMPANY

Response to Attorney General and the Kentucky Industrial Utility Customers' Initial Request for Information Dated July 3, 2025

Case No. 2025-00114

Question No. 108

Responding Witness: Julissa Burgos

Q-108. Provide work papers and supporting documentation for the cost of expected 2025 long-term debt of $800 million referenced by Mrs. Burgos on page 9, lines 5 through 10 of her Direct Testimony.

A-108. See Schedule J-3 for the anticipated cost of debt for the $800 million referenced, which is estimated to be 6.50%.

The cost of debt is typically priced using a US Treasury Bond for the applicable tenor (for instance, a 30-year bond would price using a 30-year US Treasury Bond) plus the applicable credit spread. The credit spread accounts for several market and issuer-specific factors, including the issuer's credit rating. The cost of debt for the 2025 issuance was determined in consultation with our bank group to account for current market conditions, including the heightened interest rate volatility. In the spring of 2025, tariff and trade tensions triggered sharp market moves, causing the 30-year Treasury to increase by approximately 45 basis points (0.45%) within one week during April. The daily moves ranged from 5 to 15 basis points. Taking into account this market backdrop, the cost of debt was determined using the 30-year Treasury, which was approximately 5%, plus a credit spread for the Companies of 1.50%.

LOUISVILLE GAS AND ELECTRIC COMPANY

Response to Attorney General and the Kentucky Industrial Utility Customers' Initial Request for Information Dated July 3, 2025

Case No. 2025-00114

Question No. 109

Responding Witness: Julissa Burgos

Q-109. Provide all supporting documentation and work papers used in the calculation of short-term debt shown in Schedule J-2 for LG&E and KU.

A-109. The Companies utilize UIPlanner to produce their forecasted financial statements. As outlined on page 15 in Tab 16 – Section 16(7)(c) "Cash balancing logic looks at the cash needs and calculates how to fund those needs. It is important to note that UI limits cash balances at the Utilities to $5 million unless short-term debt is zero and there is positive cash flow from operating and investing operations. UI calculates cash needs from operating and investing activities and issues short-term debt to fund the cash need." Due to this process being an automated balancing function within the UIPlanner model, there are no supporting workpapers or schedules to provide in the calculation of the short-term debt balances.

LOUISVILLE GAS AND ELECTRIC COMPANY

Response to Attorney General and the Kentucky Industrial Utility Customers' Initial Request for Information Dated July 3, 2025

Case No. 2025-00114

Question No. 110

Responding Witness: Michael E. Hornung

Q-110. Provide the workpapers, in Excel with formulas, supporting the development of the proposed CSR-1 and CSR-2 curtailable service rates for each Company.

A-110. The proposed CSR-1 and CSR-2 rates are not changing from the current rates. See attachment being provided in a separate file. The current CSR-1 rate was developed as part of the 2016 Rate Case and its support can be found in the attached file. The current CSR-2 rate was agreed to separately as part of the Stipulation Agreement filed in the 2016 Rate Case on April 19, 2017.

LOUISVILLE GAS AND ELECTRIC COMPANY

Response to Attorney General and the Kentucky Industrial Utility Customers' Initial Request for Information Dated July 3, 2025

Case No. 2025-00114

Question No. 111

Responding Witness: Michael E. Hornung / Charles R. Schram

Q-111. Provide a narrative explaining why each Company has determined that there should be no change in the current CSR-1 and CSR-2 rates.

A-111. No increase in existing CSR rates is warranted because the existing rates exceed the value of a hypothetical less-restrictive CSR program shown in Mr. Schram's testimony, page 30, line 4.

LOUISVILLE GAS AND ELECTRIC COMPANY

Response to Attorney General and the Kentucky Industrial Utility Customers' Initial Request for Information Dated July 3, 2025

Case No. 2025-00114

Question No. 112

Responding Witness: Michael E. Hornung

Q-112. Provide a narrative explaining how the current (and therefore proposed) CSR-1 and CSR-2 rates are developed for each Company.

A-112. For the current CSR-1 rate, see the Direct Testimony of William Steve Seelye in the 2016 Rate Case, pages 50-55.

The current CSR-2 rate was agreed to separately as part of the Stipulation Agreement filed in the 2016 Rate Case on April 19, 2017.

LOUISVILLE GAS AND ELECTRIC COMPANY

Response to Attorney General and the Kentucky Industrial Utility Customers' Initial Request for Information Dated July 3, 2025

Case No. 2025-00114

Question No. 113

Responding Witness: Michael E. Hornung / Charles R. Schram

Q-113. To the extent that the Companies utilize the installed cost of a combustion turbine (CT) to develop the curtailable credits underlying CSR-1 and CSR-2, provide the support for the CT costs used in the rate calculations for each Company. Provide the detailed components of the cost, including AFUDC, and provide the fixed O&M expense associated with the CT.

A-113. See the response to Question No. 110.

LOUISVILLE GAS AND ELECTRIC COMPANY

Response to Attorney General and the Kentucky Industrial Utility Customers' Initial Request for Information
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Case No. 2025-00114

Question No. 114

Responding Witness: Lonnie E. Bellar / Charles R. Schram

Q-114. Based on the Companies' most recent Integrated Resource Plan (IRP), provide the estimated cost of the next CT used for planning purposes for each Company. Provide the detailed components of the cost, including AFUDC, and provide the fixed O&M expense associated with the CT.

A-114. Capital and fixed cost assumptions for SCCT from the Companies' 2024 IRP are shown in the table below. AFUDC is not a component of capital and fixed costs; rather, the impact of AFUDC is captured in the calculation of revenue requirements.

Capital and Fixed Costs for SCCT (2030 Installation; 2030 Dollars)

Cost	SCCT
Capital Cost ($/kW)	1,636
Fixed O&M ($/kW-yr)	6.9
Firm Gas Cost ($/kW-yr)	19

LOUISVILLE GAS AND ELECTRIC COMPANY

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Case No. 2025-00114

Question No. 115

Responding Witness: Charles R. Schram

Q-115. Since January 1, 2022, how many times did the Companies call for curtailments under CSR-1 or CSR-2? List the starting date, days and duration of each curtailment for each rate (CSR-1, CSR-2). If the response is different for each of the Companies, provide the response by Company.

A-115. Since January 1, 2022, the Companies have called 52 buy-through option curtailments and three physical curtailments without buy-through option. See attachment being provided as a separate file for a list of events. For all events, the Companies curtailed all CSR-1 and CSR-2 customers.

LOUISVILLE GAS AND ELECTRIC COMPANY

Response to Attorney General and the Kentucky Industrial Utility Customers' Initial Request for Information
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Case No. 2025-00114

Question No. 116

Responding Witness: Michael E. Hornung / Charles R. Schram

Q-116. For each of the curtailable rates schedules (CSR-1, CSR-2) for each Company, provide the MW of customer load currently on these rate schedules.

A-116. CSR-1 and CSR-2 customers each have a contracted firm demand to which they must curtail in the event of a physical curtailment without buy-through option. As a result, the amount of available reduction at any given time is the sum of the CSR customers' actual demands minus the sum of their contracted firm demands. Based on historical consumption patterns, for planning purposes the Companies assume available reduction per the table below.

Company	Rate	Summer (MW)	Winter (MW)
LG&E	CSR-1	1	0
LG&E	CSR-2	17	16
KU	CSR-1	0	0
KU	CSR-2	88	94

LOUISVILLE GAS AND ELECTRIC COMPANY

Response to Attorney General and the Kentucky Industrial Utility Customers' Initial Request for Information
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Case No. 2025-00114

Question No. 117

Responding Witness: Andrea M. Fackler / Charles R. Schram

Q-117. Refer to the Companies' proposed Adjustment Clause RPPAs. Provide the following information:

a. For each PPA that the Companies anticipate entering, or has already entered, provide the MW of capacity that each Company will include as a capacity resource for each of the next 5 years.

b. For each of the PPAs identified in response to Part (a) above, provide an estimate of the capacity value (in dollars/kW/year) that each Company expects to receive from its purchase, irrespective of whether the PPA contract is an energy only contract or not.

c. For each of the PPAs identified in response to Part (a) above, indicate whether the PPA costs incurred by each Company are based solely on MWH energy purchased via the PPA. If not, provide an explanation of how the PPA is priced.

d. Confirm or deny, with a complete explanation for your response, whether the Companies agree that Renewable PPAs provide a capacity value to the system.

e. Provide a narrative explaining how the costs incurred by the Company under Adjustment Clause RPPA will be recovered from each customer class and/or rate schedule

A-117.

a. The Companies have three open solar PPAs that do not appear likely to proceed under their approved terms. The Companies do not currently anticipate entering into any other PPAs that would fall under Adjustment Clause RPPA in the next five years.

b. See the response to part (a).

c. See the response to part (a).

d. A renewable PPA could provide capacity value, but it would depend on the Companies' capacity need, the characteristics of the renewable resource, and the cost of any avoidable capacity.

e. See the Fackler Direct Testimony, pages 37 through 39.

LOUISVILLE GAS AND ELECTRIC COMPANY

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Case No. 2025-00114

Question No. 118

Responding Witness: Michael E. Hornung

Q-118. Are either LG&E or KU currently offering economic development rates under their EDR tariffs? If no, describe why and when this economic development program was paused.

A-118. The Companies' EDR tariff, established by Administrative Case 327, allows economic development discounts only if the utility has excess capacity. Since the Companies currently do not have excess capacity, new customers are not eligible for EDR discounts. EDR discounts are still being provided to customers who have already been approved by the Commission in previous cases.

LOUISVILLE GAS AND ELECTRIC COMPANY

**Response to Attorney General and the Kentucky Industrial Utility Customers' Initial Request for Information
Dated July 3, 2025**

Case No. 2025-00114

Question No. 119

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

Q-119. For each Company, provide the following information, in Excel, by month, for the test period ending 12/31/2026, the base year period ending 8/31/2026 and for each of the calendar years 2019, 2022, 2023 and 2024.

a. Expenses in FERC Accounts 512 (Maintenance of Boiler Plant), 513 (Maintenance of Electric Plant), and 514 (Maintenance of Misc Steam Plant).

b. Provide the workpapers supporting the fully projected test period amounts for the expenses in Accounts 512, 513 or 514. Include a narrative explaining the methodology used to develop the test period projections for these expenses.

A-119.

a. See attachment being provided in a separate file.

b. See attachment being provided in a separate file.

The methodology used to develop the test period projections for FERC accounts 512, 513 and 514 consist of multiple factors. Labor and burdens are allocated among these accounts based on a historical average. Outage costs are developed with estimated scopes of work driven by prior inspection results, known maintenance needs, and the timing of cyclical outage overhauls. Non-outage, non-labor expense is based on historical spend inflated at 2% annually with adjustments made for known repairs or overhauls.

LOUISVILLE GAS AND ELECTRIC COMPANY

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Case No. 2025-00114

Question No. 120

Responding Witness: Lonnie E. Bellar

Q-120. Provide a schedule showing each maintenance related outage, separately identified as "Planned" or "unplanned or forced" for each of the Company's coal units during 2024. For each of the outages that exceeded two weeks in duration, provide the expenses associated with the outage that were booked into Accounts 512, 513 or 514.

A-120. See attachment being provided in a separate file. The 2024 Coal Unit Outage List is in Tab 1 and the 2024 Coal Unit Outage List > 2 weeks is in Tab 2.

LOUISVILLE GAS AND ELECTRIC COMPANY

Response to Attorney General and the Kentucky Industrial Utility Customers' Initial Request for Information Dated July 3, 2025

Case No. 2025-00114

Question No. 121

Responding Witness: Timothy S. Lyons

Q-121. With reference to the Companies' class cost of service studies, provide all workpapers supporting the development of the classification factors ACC502, ACC505, OMPP, LABORxAG_PROD, and LSUB1_PROD.

A-121. See attachment being provided in a separate file for the derivation of classification factors ACC502, ACC505, and OMPP see reference to Account 555.

Classification factors LABORxAG_PROD and LSUB1_PROD were inadvertently hardcoded in the class cost of service model but can be found, respectively, in attachment "2025 PSC DR1 LGE Attach to Q54 - Exhibit_TSL-5,TSL-6,TSL-7,TSL-11_LGE Electric_COSS.xlsx ", tab "Alloc-PROD", rows 1174 and 1179 to LGE's response to PSC 1-54.

LOUISVILLE GAS AND ELECTRIC COMPANY

Response to Attorney General and the Kentucky Industrial Utility Customers' Initial Request for Information Dated July 3, 2025

Case No. 2025-00114

Question No. 122

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

Q-122. Provide all workpapers supporting the development of base year and test year FAC revenues.

A-122. See attachments being provided in separate files.