

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 KENTUCKY BROADBAND AND CABLE ASSOCIATION'S INITIAL
REQUEST FOR INFORMATION
DATED JULY 3, 2025

FILED: July 16, 2025

VERIFICATION

COMMONWEALTH OF KENTUCKY)

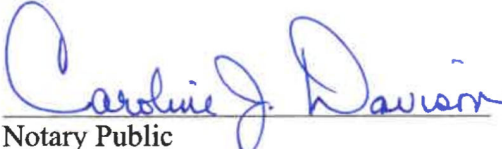
COUNTY OF JEFFERSON)

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:

563E022E6AAG41B...
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.


Notary Public

Notary Public ID No. KYNP63286

My Commission Expires:

January 22, 2027



LOUISVILLE GAS AND ELECTRIC COMPANY

**Response to Kentucky Broadband and Cable Association's Initial Request for
Information**

Dated July 3, 2025

Case No. 2025-00114

Question No. 1

Responding Witness: Michael E. Hornung / Timothy S. Lyons / Peter W. Waldrab

Q-1. Explain your basis, including all methodology, steps, and calculations performed, and the source of all inputs or data used in your calculations, to determine Your proposed Pole Attachment Charges identified in Your Original Sheet No. 40.3.

A-1. The proposed wireline attachment charges are based on the Companies' investment and expenses related to wireline attachment installations, see attachment "2025 PSC DR1 KULGE Attach to Q54 - Exhibit MEH-1 - PSA Rate Support" to LG&E's response to PSC 1-54. The proposed charges are calculated using the formulas, steps, and methodology set forth in the Commission's September 17, 1982 order in Administrative Case No.251.

The above-referenced file contains the calculation of overhead wireline attachment charges based on plant investment and expenses related to poles as well as the calculation of underground wireline attachment charges based on plant investment and expenses related to underground wireline attachment facilities.

The charges reflect the Companies' cost of service, including plant investment, accumulated depreciation, ADIT and working capital, rate of return on rate base, income and property taxes, administrative and general expenses, and O&M expenses, such as maintenance of poles and tree trimming.

The primary sources of data for the study are (1) plant accounting data, which was used to identify the number of poles and plant investment associated with the poles, (2) regulatory accounting and finance data, which was used to identify O&M expenses related to poles (such as maintenance of poles and tree trimming) and general plant and A&G data, and (3) financial data, which was used to identify financing costs, such as rate of return, income taxes, and property taxes.

LOUISVILLE GAS AND ELECTRIC COMPANY

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Question No. 2

Responding Witness: Michael E. Hornung / Timothy S. Lyons / Peter W. Waldrab

- Q-2. Provide documents sufficient to support the methodology, steps, and calculations identified in Request No. 1, including copies of the source of all inputs or data.
- A-2. All support data can be found in the attachment provided in the Company's response to PSC 1-54 ("2025 PSC DR1 KU LGE Attach to Q54 - Exhibit MEH-1 - PSA Rate Support").

LOUISVILLE GAS AND ELECTRIC COMPANY

**Response to Kentucky Broadband and Cable Association's Initial Request for
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Question No. 3

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

- Q-3. Identify all persons, including consultants and other vendors, who assisted, or were otherwise involved, in the process and approval of establishing Your proposed Pole Attachment Charges. Describe fully the responsibilities of each person identified.
- A-3. Employees in the Companies developed the proposed attachment charges in Rate PSA. These employees worked in consultation with Tim Lyons, a partner with ScottMadden Management Consultants. See Exhibit TSL-1 Qualifications.

Company employees provided ScottMadden with the financial and utility plant information necessary for calculating the attachment charges in accordance with the Commission's September 17, 1982 order in Administrative Case No. 251. ScottMadden prepared the documentation supporting the rate calculation, and Company employees and officers approved the rates before filing.

LOUISVILLE GAS AND ELECTRIC COMPANY

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Question No. 4

Responding Witness: Michael E. Hornung / Timothy S. Lyons / Peter W. Waldrab

- Q-4. Explain the basis, including all methodology, steps, and calculations performed, and the source of all inputs or data used in your calculations, for Mr. Hornung's statement that "the current rate of \$7.25 does not reflect the Companies' cost of service." Hornung Direct Testimony, page 12.
- A-4. See the response to Question No. 1. See also Hornung Direct Testimony, p. 12 lines 10-16.

LOUISVILLE GAS AND ELECTRIC COMPANY

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Question No. 5

Responding Witness: Michael E. Hornung / Timothy S. Lyons / Peter W. Waldrab

Q-5. Explain the methodology, steps, and calculations performed to calculate Your cost of service for pole attachments.

A-5. See the response to Question No. 1.

LOUISVILLE GAS AND ELECTRIC COMPANY

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Question No. 6

Responding Witness: Michael E. Hornung / Timothy S. Lyons / Peter W. Waldrab

- Q-6. Explain the basis, including all methodology, steps, and calculations performed, and the source of all inputs or data used in your calculations, for Mr. Hornung's statement that "[t]he new rates proposed by the Companies reflect our current cost of service for providing pole attachments." Hornung Direct Testimony, page 12.
- A-6. See the response to Question No. 1. The proposed rates are based on cost data for the year ending December 31, 2026, whereas the current rate was based on cost data that is at least 9-10 years old.

LOUISVILLE GAS AND ELECTRIC COMPANY

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Question No. 7

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

- Q-7. Explain the basis, including all methodology, steps, and calculations performed, and the source of all inputs or data used in your calculations, for Mr. Hornung's statement that "the proposed bifurcation of rates will more closely align with the Commission's order in Administrative Case No. 251." Hornung Direct Testimony, page 12.
- A-7. In its September 17, 1982 order in Administrative Case No. 251, the Commission set forth different pole attachment rate formulas for "two-user" and "three user" poles. The "two user" pole rate formula was premised upon the weighted average cost and usable space on 35-foot and 40-foot poles. The "three user" pole rate formula was premised upon the weighted average cost and usable space on 40-foot and 45-foot poles. The "proposed bifurcation of rates" referenced in Mr. Hornung's testimony is a reference to the Companies' proposed separate rates for "two user" and "three user" poles as opposed to the current single rate for all poles. As shown in Exhibit MEH-1, and as explained in response to Question Nos. 4-6, the proposed "two user" and "three user" pole attachment rates are calculated using those separate formulas set forth in the above referenced order. Given that the order referenced above sets forth two separate rate formulas for "two user" and "three user" poles, the Companies' proposed rates—which are calculated using those separate formulas—is more consistent with the order than the utilization of a single rate and thus more closely aligns with the order.

LOUISVILLE GAS AND ELECTRIC COMPANY

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Question No. 8

Responding Witness: Michael E. Hornung / Timothy S. Lyons / Peter W. Waldrab

- Q-8. Explain the basis, including all methodology, steps, and calculations performed, and the source of all inputs or data used in your calculations, for Mr. Hornung's statement that "the Companies' cost basis is higher for the three-user poles." Hornung Direct Testimony, page 13.
- A-8. See the attachment provided in the response to PSC1-54 ("2025 PSC DR1 KU LGE Attach to Q54 - Exhibit MEH-1 - PSA Rate Support"). Row 43 ("Average Installed Cost") in tab "Combined OH" demonstrates that the three-user poles (40' and 45') poles have a higher cost basis than the two-user poles (35' and 40'). Specifically, two-user poles have an average installed cost of \$82.74 and three user poles have an average installed cost of \$137.81. The "average installed cost" is the average annual cost of ownership (net per pole cost x annual carrying charge rate).

LOUISVILLE GAS AND ELECTRIC COMPANY

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Question No. 9

Responding Witness: Drew T. McCombs / Peter W. Waldrab

Q-9. Identify the number of poles reflected each calendar year in KU's and LG&E's continuing property records for Account 364 since 2020.

A-9. The number of poles for LG&E for 2020 through May 31, 2025 is as follows:

Year	# Poles
2020	144,699
2021	144,459
2022	144,595
2023	144,857
2024	145,212
2025	145,341

LOUISVILLE GAS AND ELECTRIC COMPANY

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Question No. 10

Responding Witness: Drew T. McCombs

- Q-10. Provide all of KU's and LG&E's detailed continuing property records for Account 364 for each year from 2020 to present.
- A-10. See attachments being provided in separate files.

LOUISVILLE GAS AND ELECTRIC COMPANY

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Question No. 11

Responding Witness: Peter W. Waldrab

- Q-11. Provide any pole survey or inspection data containing data on the height of KU's and LG&E's poles for each year from 2020 to present.
- A-11. See attachment being provided in a separate file. The data provided is from the Company's most recent pole attachment inventory, which was completed in 2020.

Entries of "0" and "99" represent undetermined pole heights; poles with this entry are most often poles supporting both transmission- and distribution-voltage lines.

LOUISVILLE GAS AND ELECTRIC COMPANY

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Question No. 12

Responding Witness: Peter W. Waldrab

- Q-12. Provide any pole survey or inspection data containing data on the number of KU and LG&E poles that have two users and the number of KU and LG&E poles that have three users for each year from 2020 to present.
- A-12. See attachment being provided in a separate file. The data provided is from the Company's' most recent pole attachment inventory, which was completed in 2020. The inventory counted and identified attachments on all LG&E-owned and KU-owned poles.

LOUISVILLE GAS AND ELECTRIC COMPANY

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Question No. 13

Responding Witness: Chad E. Clements / Drew T. McCombs / Peter W. Waldrab

- Q-13. Provide the following information for KU and LG&E for the 2022, 2023, 2024, and 2025 calendar years:
- a. Total Number of Distribution Poles (including drop and lift poles) (FERC Account 364, or equivalent).
 - b. Total Number of Mixed Use (i.e., Joint Transmission/Distribution Poles or Transmission Poles with Distribution Facilities built underneath), if any, for which any costs are booked to Account 364;
 - c. Total Number of Privately Owned Poles, if any, for which any costs are booked to Account 364;
 - d. Gross Investment in Distribution Poles (including drop and lift poles) (FERC Account 364 of equivalent).
 - e. Gross Investment in Electric Plant (FERC Form 1, p. 200 col. B, or equivalent)
 - f. Accumulated Depreciation for Electric Plant
 - g. Gross Investment in Electric Distribution Plant
 - h. Accumulated Depreciation for Electric Distribution Plant
 - i. Accumulated Deferred Income Taxes, if any, related to Electric Plant (FERC Accounts 190 and 281-283, or equivalent, including amounts booked to Account 254 relating to the Tax Cut and Jobs Act of 2017)
 - j. Total General and Administrative Expenses related to Electric Operations (FERC Form 1, p. 323, line 168 col. B, or equivalent)
 - k. Maintenance Expenses related to Electric Distribution Plant

- l. Maintenance Expenses related to overhead distribution plant (FERC Account 593, or equivalent)
- m. Maintenance expenses recorded in FERC Account 593 subject to amortized or deferred recovery and/or subject to reimbursement
- n. Gross Investment in overhead conductors and devices (FERC Account 365, or equivalent)
- o. Accumulated Depreciation related to services (FERC Account 369, or equivalent)
- p. Accumulated Depreciation Related to poles, towers and fixtures (FERC Account 364, or equivalent)
- q. Accumulated Depreciation related to services (FERC Account 369, or equivalent)
- r. Depreciation Rate for Poles (in FERC Account 364, or equivalent)
- s. Income taxes (FERC Accounts 408.1, 409.1, 410.1, 411.1 and 411.4 or equivalent), if any
- t. Taxes other than income taxes, if any
- u. Cost of debt, cost of equity, and overall weighted cost of capital
- v. Any other cost of money claimed by KU and/or LG&E

A-13.

- a. See the response to Question No. 9 for pole quantities.
- b. LGE does not track joint transmission/distribution poles in its Asset System of Record. All poles with transmission facilities are recorded in Account 355..
- c. LGE does not account for any privately owned poles in Account 364.
- d. LGE's Gross Investment in Distribution Poles (including drop and life poles) (FERC Account 364) is as follows. See attachment to KBCA Question 10.

Year	Investment in Poles
2022	199,093,853.35
2023	206,438,741.89
2024	213,013,289.79

2025 226,230,421.87

- e. LGE's Gross Investment in Electric Plant is as follows. See Filed Form 1, Page 200 for 2022-2024 support. See attachment for 2025 support.

Year	Amount
2022	\$ 6,787,370,052
2023	\$ 6,987,313,633
2024	\$ 7,044,785,380
2025	\$ 7,281,295,055

- f. LGE's Accumulated Depreciation for Electric Plant is as follows. See Filed Form 1, Page 200 for 2022-2024 support. See attachment for 2025 support.

Year	Amount
2022	\$ 2,236,992,969
2023	\$ 2,418,981,722
2024	\$ 2,452,545,733
2025	\$ 2,545,818,371

- g. LGE's Gross Investment in Electric Distribution Plant is as follows. See Filed Form 1, Page 207 for 2022-2024 support. See attachment for 2025 support.

Year	Amount
2022	\$ 1,848,167,442
2023	\$ 1,932,896,458
2024	\$ 2,063,523,067
2025	\$ 2,115,200,644

- h. LGE's Accumulated Depreciation for Electric Distribution Plant is as follows. See Filed Form 1, Page 219 for 2022-2024 support. See attachment for 2025 support.

Year	Amount
2022	\$ 585,327,427
2023	\$ 602,332,421
2024	\$ 612,302,639
2025	\$ 637,367,317

- i. See attachment being provided in a separate file.

- j. See attachment being provided in a separate file.

- k. See attachment being provided in a separate file.
- l. See attachment being provided in a separate file.
- m. See attachment provided in part (l) for amortization of previously deferred maintenance expense. There are no maintenance expenses remaining in FERC Account 593 subject to deferred recovery and/or subject to reimbursement
- n. LGE's Gross Investment in overhead conductors and devices (FERC Account 365) is as follows. See attachment.

Year	Investment
2022	\$ 423,743,394.67
2023	\$ 452,323,746.57
2024	\$ 499,721,102.76
2025	\$ 503,204,653.90

- o. LGE's Accumulated Depreciation reserve for Account 369 is as follows. See attachment.

Year	Depreciation Reserve
2022	\$29,219,186.16
2023	\$30,365,705.72
2024	\$31,415,498.91
2025	\$31,741,122.20

- p. LGE's Accumulated Depreciation reserve for Account 364 is as follows. See attachment.

Year	Depreciation Reserve
2022	\$90,019,304.97
2023	\$94,548,143.75
2024	\$99,237,486.23
2025	\$98,111,944.55

- q. See the response to part (o).
- r. The LGE Depreciation Rate for Account 364 is 2.71%. This is the rate agreed upon in the prior rate case with the Commission.
- s. See attachment being provided in a separate file.
- t. See attachment being provided in a separate file.

- u. Information related to the cost of debt, cost of equity, and overall weighted cost of capital can be found in Filing Requirement 16(8)(k).
- v. There is no other cost of money claimed by LGE beyond the 8.11% rate of return set forth on Exhibit MEH-1.

LOUISVILLE GAS AND ELECTRIC COMPANY

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Question No. 14

Responding Witness: Chad E. Clements / Drew T. McCombs / Peter W. Waldrab

Q-14. Provide copies of underlying documentation sufficient to support each of KU's and LG&E's responses to Request No. 13, parts (a)-(v).

A-14. See attachments provided in the response to Question No. 13.

LOUISVILLE GAS AND ELECTRIC COMPANY

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Question No. 15

Responding Witness: Drew T. McCombs

- Q-15. Identify KU's and LG&E's total revenues and total pole attachment revenues for each year from 2020 to present.
- A-15. See attachment being provided in a separate file.

LOUISVILLE GAS AND ELECTRIC COMPANY

**Response to Kentucky Broadband and Cable Association's Initial Request for
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Question No. 16

Responding Witness: Peter W. Waldrab

- Q-16. Identify all of KU's and LG&E's total investments in, and breakdown of, appurtenances (non-pole investment) for each year from 2020 to present, booked to Account 364. These include amounts defined as Items #1-11, 13-19, per 18 CFR Ch 1, Pt. 101.
- A-16. LG&E's total investments in, and breakdown of, appurtenances (non-pole investment) for each year from 2020 through 5/31/2025, recorded to Account 364 is as follows:

Year	Investment
2020	\$61,832,683
2021	\$66,311,510
2022	\$63,189,105
2023	\$67,862,683
2024	\$91,165,104
2025	\$84,234,560

LOUISVILLE GAS AND ELECTRIC COMPANY

**Response to Kentucky Broadband and Cable Association's Initial Request for
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Question No. 17

Responding Witness: Peter W. Waldrab

- Q-17. Provide copies of underlying documentation sufficient to support KU's and LG&E's responses to Request No. 16.
- A-17. See attachment provided in the response to Question No. 10.

LOUISVILLE GAS AND ELECTRIC COMPANY

**Response to Kentucky Broadband and Cable Association's Initial Request for
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Question No. 18

Responding Witness: Peter W. Waldrab

Q-18. Identify all of KU's and LG&E's make ready reimbursements for each year from 2020 to present.

A-18. See attachment being provided in a separate file.

The data provided identifies payments by new attachers to reimburse the Company for construction costs associated with their attachment requests. The payments are aggregated to the application level and labeled according to the year in which payment was made.

LOUISVILLE GAS AND ELECTRIC COMPANY

**Response to Kentucky Broadband and Cable Association's Initial Request for
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Question No. 19

Responding Witness: Peter W. Waldrab

Q-19. Provide copies of underlying documentation sufficient to support KU's and LG&E's responses to Request No. 18.

A-19. See the response to Question No. 18.

The attachment provided associates make-ready engineering data from the Company's pole attachment application management system (Katapult), construction cost data from the Company's work management system, and accounts receivable data from the Company's financial transactions management system.

LOUISVILLE GAS AND ELECTRIC COMPANY

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Question No. 20

Responding Witness: Drew T. McCombs / Peter W. Waldrab

- Q-20. For the make ready reimbursements identified in response to Request No. 18, identify the specific FERC accounts to which those reimbursements were booked, and the year they were booked.
- A-20. For the make-ready reimbursements identified in response to Question No. 18, FERC accounts 107-Construction work in progress-Electric, 108-Accumulated provision for depreciation of electric utility plant and 142-Customer accounts receivable were utilized in each year from 2020 to present.

LOUISVILLE GAS AND ELECTRIC COMPANY

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Question No. 21

Responding Witness: Peter W. Waldrab

Q-21. For the years 2020-2025, state the number and percentage of KU's and LG&E's poles that were 30' or less, 35', 40' 45', 50', 55', 60', 65', 70', or 75' or greater.

A-21. The number and percentage of distribution poles in Kentucky for KU and LG&E, as reflected in GIS data (versus plant accounting data) are shown below. 2025 numbers are through 5/31/2025.

Percentage of Pole Height By Year												
Height	2020		2021		2022		2023		2024		2025	
	Pole Count	Percentage	Pole Count	Percentage	Pole Count	Percentage	Pole Count	Percentage	Pole Count	Percentage	Pole Count	Percentage
30 Or Less	78,724	15%	78,724	15%	77,884	15%	77,508	15%	77,185	15%	76,585	15%
35	88,337	17%	88,337	17%	87,306	15%	86,556	17%	86,071	17%	84,971	16%
40	204,734	39%	204,734	39%	201,821	39%	201,278	39%	200,669	39%	199,131	38%
45	95,848	18%	95,848	18%	97,110	19%	99,194	19%	101,093	19%	104,305	20%
50	24,973	5%	24,973	5%	25,394	5%	25,977	5%	26,659	5%	27,839	5%
55	8,517	2%	8,517	2%	8,703	2%	8,894	2%	9,023	2%	9,278	2%
60	4,771	1%	4,771	1%	4,821	1%	4,885	1%	4,855	1%	5,002	1%
65	4,272	1%	4,272	1%	4,277	1%	4,282	1%	4,347	1%	4,415	1%
70	3,050	1%	3,050	1%	3,054	1%	3,058	1%	3,056	1%	3,059	1%
75 Or Greater	4,086	1%	4,086	1%	4,126	1%	4,157	1%	4,255	1%	4,272	1%
unset	2,670	1%	2,670	1%	2,669	1%	2,746	1%	2,778	1%	2,822	1%
Grand Total	519,982.00		519,982		517,165		518,535		519,991		521,679	

LOUISVILLE GAS AND ELECTRIC COMPANY

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Question No. 22

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

- Q-22. If any entity that is attached to Your poles will be subject to different Pole Attachment Charges than those identified in Your Original Sheet No. 40.3, state the charges those entities will incur and the basis of, including any calculations related to, the charges.
- A-22. Other entities pay attachment charges pursuant to attachment agreements that are outside the scope of Rate PSA (as described in the "Availability" section), or were executed prior to the introduction of Rate PSA (as described in the "Applicability of Schedule to Current License Agreements" section).

LOUISVILLE GAS AND ELECTRIC COMPANY

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Question No. 23

Responding Witness: Michael E. Hornung

- Q-23. Admit that, with respect to pole attachments, in this proceeding You are only seeking to change your Attachment Charges noted in Your Original Sheet No. 40.3, and not any other terms or conditions of pole attachments.
- A-23. Confirmed. The Company is only proposing the rate changes to the Pole and Structure Attachment (PSA) Tariff stated on Original Sheet No. 40.3, and not any other terms or conditions of pole attachments.