## COMMONWEALTH OF KENTUCKY BEFORE THE PUBLIC SERVICE COMMISSION

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In	the	Matter	UĮ.

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 SIERRA CLUB'S FIRST REQUEST FOR INFORMATION DATED JULY 3, 2025

**FILED: July 16, 2025** 

COMMONWEALTH OF KENTUCKY )

COUNTY OF JEFFERSON

information, knowledge, and belief.

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

John Bevington

Subscribed and sworn to before me, a Notary Public in and before said County and State, this  $\underline{10^{th}}$  day of  $\underline{July}$  2025.

Notary Public

Notary Public ID No. KYNP63286

My Commission Expires:

January 22, 2027

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

Notary Public

Notary Public ID No. KYNP61560

My Commission Expires:

November 9, 2026



COMMONWEALTH OF KENTUCKY	
COUNTY OF JEFFERSON	

The undersigned, **Michael E. Hornung**, being duly sworn, deposes and says that he is Manager of Pricing/Tariffs for LG&E and KU Services Company, that he has personal knowledge of the matters set forth in the responses for which he is identified as the witness, and the answers contained therein are true and correct to the best of his information, knowledge, and belief.

Michael E. Hornung

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. KYNP63286

My Commission Expires:

January 22, 2027

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 10<sup>th</sup> day of July 2025.

Notary Public

Notary Public ID No. <u>KYNP63286</u>

My Commission Expires:

January 22, 2027

COMMONWEALTH OF KENTUCKY	)
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	- /
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

Notary Public

Notary Public ID No. KYNP632870

My Commission Expires:

Jamary 22, 2027\_

### Response to Sierra Club's First Request for Information Dated July 3, 2025

Case No. 2025-00114

#### **Question No. 1-1**

**Responding Witness: John Bevington** 

- Q-1-1. Refer to the testimony of Witness John Crocket, at page 13, line 6 to page 14, line 9 quantifying jobs associated with data center projects in other states. Please provide the Companies' estimate of the number of jobs associated with projects in their economic development queue. Please specify the numbers of jobs that are permanent positions and those that are for construction or other temporary purposes.
- A-1-1. The Companies are working to fulfill the utility requirements of the data center projects that are engaged with the Companies' economic development team. See the attachment provided in response to PSC 2-32, which includes job creation figures for each prospective data center, where available. Note that entries showing zero jobs may indicate that job data was not provided, rather than that no jobs will be created. Further, any job estimates shared with the Companies are likely preliminary and subject to change based on the final design and requirements of the data center operator. In most cases, the specific number of permanent and construction jobs associated with each project are either unknown or purely benchmark estimates; nonetheless, the estimates are commensurate with the projects cited in Mr. Crockett's testimony.

### Response to Sierra Club's First Request for Information Dated July 3, 2025

Case No. 2025-00114

#### **Question No. 1-2**

#### Responding Witness: Christopher M. Garrett/Shannon L. Montgomery

- Q-1-2. Refer to the testimony of Witness Shannon Montgomery, at page 15, line 16 to page 18, line 10, addressing the benefits of the Companies' Advanced Metering Infrastructure ("AMI") programs.
  - a. Please provide, or identify where this information already exists in the record, the Companies' analysis of costs and benefits associated with their AMI programs.
  - b. Please describe the public education and outreach efforts the Company intends to conduct to educate customers on the benefits of AMI as that relates to customer energy consumption and customer bill reductions.

#### A-1-2.

- a. See the attachments provided in response to PSC 2-74 and 2-99.
- b. See the Advanced Metering Infrastructure Customer Engagement and Communication Plan included in the attachment provided in response to PSC 2-74.

### Response to Sierra Club's First Request for Information Dated July 3, 2025

Case No. 2025-00114

**Question No. 1-3** 

Responding Witness: Michael E. Hornung

- Q-1-3. Refer to the "Full Customer Notice of Rate Adjustment" and "Abbreviated Customer Notice of Rate Adjustment" filed in these dockets on June 25, 2025. Other than these documents and related redline versions filed in these dockets the same day, please provide all publicly-facing presentations or other educational materials the Companies have released to educate their ratepayers on the proposed rate increases.
- A-1-3. Beginning on the 30th day of May 2025, the Company posted on its website a complete copy of its application in this case.

In addition, beginning on the 15th day of May 2025, the Company issued press advisories to all known news media organizations who cover the areas within its certified territory advising of the filing of its application and including a hyperlink to the location on its and the Commission's websites where case documents and tariff filings will be available.

Beginning on the 30th day of May 2025, the Company included a general statement explaining the application in this case with the bills for all Kentucky retail customers during the course of their regular monthly billing cycle. An accurate copy of this general statement is located in Filing Requirements Tab 6 Exhibit D. Both the notice being published in newspapers and the bill inserts being sent to customers include the web address to the online posting.

### Response to Sierra Club's First Request for Information Dated July 3, 2025

Case No. 2025-00114

#### **Question No. 1-4**

#### Responding Witness: Michael E. Hornung

- Q-1-4. Refer to the testimony Witness Michael Hornung, at page 4, line 7 to page 8, line 4, describing the Companies' proposed Extremely High Load Factor ("EHLF") tariff.
  - a. Please identify how many existing customers would qualify for this rate based on load (greater than 100 MVA) and capacity factor (greater than 85% average) criteria identified at Witness Hornung's testimony, page 8, lines 9-10.
  - b. Identify whether existing customers that qualify under those criteria would be obligated to take service under this rate or would have the option to remain on their existing rate.
  - c. Please state whether the Companies expect new customers other than data centers will qualify for the EHLF tariff.

#### A-1-4.

- a. See the response to Walmart 1-8.
- b. See the response to Walmart 1-8.
- c. It is possible customers other than data centers could qualify for service under Rate EHLF, but the Company does not have any current expectation in that regard.

### Response to Sierra Club's First Request for Information Dated July 3, 2025

#### Case No. 2025-00114

#### **Question No. 1-5**

#### Responding Witness: Michael E. Hornung

- Q-1-5. Refer to the testimony of Witness Hornung at page 7, lines 14-19, addressing the protections for existing customers incorporated into the proposed EHLF tariff.
  - a. Please state whether the Companies evaluated additional customer protection measures. If such evaluation exists, please provide the Companies' evaluation of those potential measures.
  - b. Please state whether the Companies considered including provisions in the EHLF tariff that would identify costs that must be covered by the prospective EHLF customer, including feasibility study costs and contributions in aid of construction.
  - c. Please provide the Companies' evaluation of such measures, if such an evaluation exists.

#### A-1-5.

- a. See the response to Question No. 6. No other evaluations exist. The proposed Rate EHLF includes robust customer protections, which Mr. Hornung's testimony describes at pages 5-8.
- b. See the response to part (a) and Question No. 6. Also, see the Rules for Retail Electric Service Studies and Related Implementation Costs section the Companies propose to add to their Terms and Conditions (Sheet No. 108), which Mr. Hornung's testimony describes at pages 25-26.
- c. See the response to Question No. 6. No other evaluations exist.

### Response to Sierra Club's First Request for Information Dated July 3, 2025

Case No. 2025-00114

**Question No. 1-6** 

Responding Witness: Michael E. Hornung / Counsel

- Q-1-6. Regarding the proposed EHLF tariff, please state whether the Companies evaluated the rates and other measures that utilities across the country have implemented to protect existing customers from economic impacts associated with proposed data centers. If a written evaluation of those rates and utility practices exists, please provide that evaluation.
- A-1-6. Yes, the Companies have evaluated certain other utilities' data center rates, tariff provisions, and agreements (AEP Indiana Michigan Power Company, AEP-Ohio, Arizona Public Service Company, Dominion Energy (VA), Evergy Missouri Metro, NV Energy, Appalachian Power and Wheeling Power (WV), Entergy-Louisiana, and Georgia Power). The Companies object to producing their written evaluation thereof, which is protected from disclosure under the work product doctrine because it was prepared at the direction of counsel in preparation for this proceeding. The Companies are also aware of and have reviewed, but have not prepared a written evaluation of, East Kentucky Power Cooperative's Rate DCP (Data Center Power).

### Response to Sierra Club's First Request for Information Dated July 3, 2025

Case No. 2025-00114

#### **Question No. 1-7**

#### Responding Witness: Michael E. Hornung / Shannon L. Montgomery

- Q-1-7. Refer to the testimony of Witness Hornung at page 14, line 1 to 16, line 14 addressing rates applicable electric vehicle ("EV") charging.
  - a. Please provide the Companies' comparison of costs and charging revenues associated with the Companies' electric vehicle rates, incentives, programs, and any Company-owned or Company-operated charging stations.
  - b. If no formal comparison exists, please state the total revenues associated with EV charging since the EV specific rates or programs were approved, and the total amount of costs associated with providing electricity to those customers.
  - c. Identify the number of residential customers currently taking service under the Companies' EV-specific rate offerings.
  - d. For EV-specific rate offerings that include time-of-use rate differentiation or managed charging, please provide the percentage of charging that occurs on-peak and the percentage that occurs off-peak for each rate offering.
  - e. Please describe the companies' public education and outreach efforts aimed at communicating the environmental benefits and customer cost savings of EV adoption.

#### A-1-7.

- a. Cost support associated the Company-owned or Company-operated charging stations can be found in the first round of data requests from the KPSC, specifically file "2025 PSC DR1 KU LGE Attach to Q54 Exhibit MEH-2-MEH-3 EV Rate Support".
- b. See the response to part (a).
- c. There is no EV-specific rate designed for customers. As of May 31, 2025, there were 250 customers enrolled in the Optimized Electric Vehicle Charging DSM program.

- d. There is no EV-specific rate designed for customers. Among participants in the Optimized Electric Vehicle Charging program, since July 1, 2024, 78% of charging has occurred off-peak and 22% has occurred on-peak during heating season months. 94% of charging has occurred off-peak and 6% has occurred on-peak during cooling season months. These percentages apply to both companies.
- e. The Company maintains an EV-centric page on its website (<a href="https://lge-ku.com/environment/alternate-fuels-road/ev">https://lge-ku.com/environment/alternate-fuels-road/ev</a>). The Public and Hosted Station programs do not include outreach and communication funds as designed, but Company does engage in no-cost/low-cost methods to share the benefit of electric vehicle use. Examples include social media posts, partnering with local organizations (i.e. Evolve), and events (i.e. Drive Electric Week).

### Response to Sierra Club's First Request for Information Dated July 3, 2025

Case No. 2025-00114

#### **Question No. 1-8**

#### Responding Witness: Charles R. Schram

- Q-1-8. Refer to the testimony of Witness Charles Schram, at page 11, lines 3-5, identifying overall EV growth in the Companies' service territory from 2020 to 2024.
  - a. Identify the number of electric vehicles, by class (i.e., light-, medium-, or heavy-duty), currently registered in the Companies' service territory.
  - b. Provide the Companies' forecast for EV adoption in their service territories, broken down by vehicle class.

#### A-1-8.

- a. See the attachment provided in response to JI 1-47(d).
- b. The Companies do not have their EV forecast broken down by vehicle class, as the Companies only explicitly forecast light-duty electric vehicles. See Exhibit CRS-7 at Load\_Forecasting\Electric\_Load\_Forecast\Electric\Forecasts\EV\EV\_fore cast results 25BP final.xlsx for the Companies' EV forecast.

### Response to Sierra Club's First Request for Information Dated July 3, 2025

Case No. 2025-00114

#### **Question No. 1-9**

#### Responding Witness: Shannon L. Montgomery / Charles R. Schram

- Q-1-9. Refer to the testimony of Witness Schram at page 10, lines 8-12, addressing net metering.
  - a. Please identify the number of customers, by class type (i.e. residential, commercial, industrial), that take service under the Company's existing net metering tariff, along with the cumulative generating capacity of those customers' distributed generation systems.

A-1-9.

a. See the responses and attachments to JI 1-109(d), (e), and (g).

### Response to Sierra Club's First Request for Information Dated July 3, 2025

Case No. 2025-00114

#### **Question No. 1-10**

#### Responding Witness: Shannon L. Montgomery

- Q-1-10. Refer to the testimony of Witness Schram at page 10, line 12 to page 11, line 2 regarding customers that utilize battery storage systems.
  - a. Please identify any incentives the Companies provide to their customers to incentivize use of battery storage systems.
  - b. Please provide any assessment the Companies have conducted regarding the costs and benefits of incentive programs the Companies have considered related to distributed energy storage systems such as residential batteries.

#### A-1-10.

- a. The Companies do not currently offer any incentives to customers to specifically incentivize the use of battery storage systems. However, the Companies have two DSM demand response programs that reward customers for reducing their energy consumption during demand response events. Those programs are Peak Time Rebates and Business Demand Response. Customers that are enrolled in either of these programs may use their battery storage systems to reduce their energy consumption during events. Peak Time Rebates participants will receive \$1 per kWh reduced during an event. Business Demand Response participants received \$50 per kW-year of demand reduction. Each participant's reduction for an event is calculated as the difference between their usage during the event period and usage during the baseline period prior to the event. Each Business Demand Response participant's event reductions are averaged over their contract period to determine their kW-year reduction.
- b. In the 2024 IRP, the Companies modeled a potential enhancement to the existing DSM Bring Your Own Device program which added eligibility for energy storage systems of residential and small business customers. This modeling did not include cost effectiveness testing but included some forecasted growth of the technology as a new enrolled measure into an existing offering.