

COMMONWEALTH OF KENTUCKY
BEFORE THE PUBLIC SERVICE COMMISSION

In the Matter of:

ELECTRONIC EXAMINATION BY THE PUBLIC)	
SERVICE COMMISSION OF THE)	
ENVIRONMENTAL SURCHARGE MECHANISM)	CASE NO. 2026-00003
OF KENTUCKY UTILITIES COMPANY FOR THE)	
SIX-MONTH BILLING PERIOD ENDING)	
OCTOBER 31, 2025)	

RESPONSE OF
KENTUCKY UTILITIES COMPANY
TO
THE COMMISSION STAFF'S SECOND REQUEST FOR INFORMATION
DATED MARCH 25, 2026

FILED: APRIL 13, 2026

KENTUCKY UTILITIES COMPANY

**Response to Commission Staff's Second Request for Information
Dated March 25, 2026**

Case No. 2026-00003

Question No. 1

Responding Witness: Andrea M. Fackler

Q-1. Refer to ES Form 3.10, for the expense month ended June 2025. Base Rate Kentucky Retail Revenues, Line 1, does not match to the sum of the amounts reported on ES Form 3.00. ES Form 3.10 Line 1 Base rate revenue is listed as \$146,424,595, but the sum of the amounts reported for Group 1 Non-fuel Base Rate Revenues (2) + Group 1 Base Rate Fuel Component (3) + Group 2 Non-fuel Base Rate Revenues (2) + Group 2 Base Rate Fuel Component (3) = \$146,424,166. Explain this discrepancy and provide any necessary corrections.

GROUP 1	Non-fuel BR	42,028,411
	BR Fuel	12,261,176
GROUP 2	Non-fuel BR	63,514,329
	BR Fuel	28,620,250
	Sum	146,424,166

A-1. The \$429.27 discrepancy to the June 2025 expense month was due to payments recovered by the Company on bad debt. The Company was working to apply these payments to the appropriate customer accounts; however, the payments were unable to be applied prior to the preparation of ES Form 3.00, which splits the revenue between Group 1 and Group 2. \$414.71 of this discrepancy impacted Group 1 Non-Fuel Base Rate Revenues and was accounted for in ES Form 3.00 for the July 2025 expense month once the payments were applied to customer accounts. The remaining \$14.56 is still waiting to be applied to the correct customer account and thus has not yet been reflected in the Non-Fuel Base Rate Revenues on ES Form 3.00.

The \$429.27 discrepancy is minor compared to the total revenues represented in ES Form 3.00; as such, the reporting issue had no impact on the allocation of ECR jurisdictional revenue requirement between Group 1 and Group 2 or the resulting ECR billing factors in the June or July 2025 ECR filings as shown in the attachment provided in Excel format. It also has no impact on what customers are billed under the ECR adjustment clause since the ECR billing factors are applied to actual customer revenues in the applicable billing period.

KENTUCKY UTILITIES COMPANY

**Response to Commission Staff's Second Request for Information
Dated March 25, 2026**

Case No. 2026-00003

Question No. 2

Responding Witness: Andrea M. Fackler

Q-2. Refer to ES Form 3.10, for the expense month ended July 2025. Base Rate Kentucky Retail Revenues, Line 1, does not match to the sum of the amounts reported on ES Form 3.00. ES Form 3.10 Line 1 Base rate revenue is listed as \$173,900,569, but the sum of the amounts reported for Group 1 Non-fuel Base Rate Revenues (2) + Group 1 Base Rate Fuel Component (3) + Group 2 Non-fuel Base Rate Revenues (2) + Group 2 Base Rate Fuel Component (3) = \$173,900,984. Explain this discrepancy and provide any necessary corrections.

GROUP 1	Non-fuel BR	56,573,943
	BR Fuel	17,811,597
GROUP 2	Non-fuel BR	68,551,152
	BR Fuel	30,964,292
	Sum	173,900,984

A-2. As noted in the response to Question No. 1, \$414.71 of bad debt related payments made in June 2025 were applied to the appropriate customer accounts in July 2025. Thus, the July 2025 ES Form 3.00 reported an additional \$414.71 of Group 1 Non-Fuel Base Rate Revenues compared to the July 2025 ES Form 3.10. See also the response and attachment to Question No. 1.

KENTUCKY UTILITIES COMPANY

Response to Commission Staff’s Second Request for Information

Dated March 25, 2026

Case No. 2026-00003

Question No. 3

Responding Witness: Andrea M. Fackler

Q-3. Refer to KU’s response to Commission Staff’s First Request for Information, Item 2, Attachment KU ECR DR1 Attachment to Q1 and Q2 - (CN 2026-00003), Input Tab.

- a. For each expense month under review the ECR Billing Factor Revenues (Group 1), column 19; ECR Billing Factor Revenues (Group 2), column 20; Billing Factors (Group 1), column 24; and Billing Factors (Group 2), column 25 amounts do not match ES Form 1.10 from KU’s monthly filings. Provide a reconciliation of any discrepancies in a format in accordance with Item 3(c).
- b. The chart submitted appears to incorrectly label the quantities as “ES Form 3.00”. Confirm it should state Form 1.10. If not confirmed, explain the response.
- c. Confirm that the chart below contains the correct factors based on the past monthly submitted filings corresponding to the listed periods. Make necessary corrections as noted in Item 3(a) and Item 3(b) and recalculate any over or under recovery.

Billing Month	Expense Month	ECR Billing Factor Revenues (Group 1)	ECR Billing Factor Revenues (Group 2)	Billing Factors (Group 1)	Billing Factors (Group 2)
		ES Form 1.10	ES Form 1.10	ES Form 1.10	ES Form 1.10
May-25	Mar-25	(534,766)	(734,558)	64,330,305	62,501,855
Jun-25	Apr-25	(450,401)	(619,435)	64,458,364	62,669,454
Jul-25	May-25	266,393	366,370	64,223,524	62,622,179
Aug-25	Jun-25	(105,060)	(145,201)	63,981,299	62,944,693
Sep-25	Jul-25	(673,363)	(924,934)	64,159,781	63,086,672
Oct-25	Aug-25	(693,007)	(947,247)	64,913,181	63,559,923

A-3.

- a. For clarifying purposes, the Input Tab is used by KU to gather data used for the responses to Question Nos. 1 and 2 in the tabs that follow the Input Tab. Some of the columns gather expense month input data while others, such as Columns 19, 20, 24, and 25, gather actual billing month input data, which can be found on ES Form 3.00 for the May through October 2025 expense months. Billing month data is needed for these particular columns because that is the month in which the ECR surcharge revenues are billed to customers for the expense month two months prior. The final over-/under-recovery balance for the expense month is not known until after the ECR surcharge revenues are recognized during the billing month as shown on the Q2 p.2 – Detailed Over-Under tab.
- b. Not confirmed. See the response to part a. The data in Columns 19, 20, 24, and 25 are sourced from ES Form 3.00 for the billing month and not from ES Form 1.10 for the expense month. For illustrative purposes, the ES Form 3.00 table below is for Group 1 of KU’s October 2025 ECR expense month filing (filed with the Commission on November 21, 2025 effective December 1, 2025). The columns highlighted provide the data located in Columns 19 and 24 of the Input Tab and represent the actual billed ECR surcharge revenues for the six billing months under review (May through October 2025). A similar comparison can be made for Group 2 data on ES Form 3.00 for Columns 20 and 25 on the Input Tab.

GROUP 1 (Total Revenues) - Kentucky Jurisdictional Revenues							
(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)
Month	Non-fuel Base Rate Revenues	Base Rate Fuel Component	Fuel Clause Revenues Including Off-System Sales Tracker	DSM Revenues	Environmental Surcharge Revenues	Total (2)+(3)+(4)+(5)+(6)	Total Excluding Environmental Surcharge (7)-(6)
Nov-24	\$ 35,594,973	\$ 9,999,374	\$ (1,363,597)	\$ 605,457	\$ 709,846	\$ 45,546,054	\$ 44,836,208
Dec-24	54,554,418	16,998,583	(2,539,623)	1,018,254	(129,495)	69,902,136	70,031,631
Jan-25	69,222,115	22,538,263	(2,216,647)	1,677,712	358,638	91,580,081	91,221,443
Feb-25	65,788,594	21,521,915	(332,742)	1,868,451	(856,899)	87,989,320	88,846,219
Mar-25	56,156,189	17,750,331	329,210	1,550,155	(1,773,842)	74,012,043	75,785,885
Apr-25	39,699,433	11,523,887	(308,143)	914,441	(1,275,960)	50,553,658	51,829,618
May-25	36,823,333	10,413,598	(1,085,130)	718,845	(404,512)	46,466,134	46,870,646
Jun-25	42,028,411	12,261,176	(1,639,632)	837,370	(375,405)	53,111,920	53,487,325
Jul-25	56,573,943	17,811,597	(1,844,105)	1,201,687	291,685	74,034,807	73,743,122
Aug-25	56,762,176	17,923,104	(2,063,395)	1,214,469	(112,656)	73,723,699	73,836,354
Sep-25	46,426,221	13,948,310	(788,870)	955,841	(626,294)	59,915,208	60,541,502
Oct-25	40,644,535	11,810,325	(1,023,479)	815,848	(558,356)	51,688,873	52,247,229
Average Monthly Jurisdictional Revenues, Excluding Environmental Surcharge, for 12 Months Ending Current Expense Month.							\$ 65,273,099
Average Kentucky Jurisdictional Revenues excluding Environmental Surcharge for 12-months ending with Current Month =							\$ 154,493,070
GROUP 1 Revenues as a Percentage of Total Revenues for 12-months ending with the Current Month							42.25%

- c. No corrections are necessary to the Input tab. See responses to parts a and b.