

COMMONWEALTH OF KENTUCKY  
BEFORE THE PUBLIC SERVICE COMMISSION

In the Matter of:

ELECTRONIC JOINT APPLICATION OF KENTUCKY )  
UTILITIES COMPANY AND LOUISVILLE GAS AND ) CASE No.  
ELECTRIC COMPANY FOR APPROVAL OF MERGER ) 2026-00077

**ATTORNEY GENERAL’S INITIAL DATA REQUESTS**

The intervenor, the Attorney General of the Commonwealth of Kentucky, through his Office of Rate Intervention [“OAG”], hereby submits the following Initial Data Requests to Louisville Gas & Electric Company [“LG&E”] and Kentucky Utilities Company’s [“KU”][hereinafter jointly referred to as “LG&E-KU” or “the Companies”], to be answered by the date specified in the Commission’s Orders of Procedure, and in accord with the following:

- (1) In each case where a request seeks data provided in response to a staff request, reference to the appropriate request item will be deemed a satisfactory response.
- (2) Identify the witness who will be prepared to answer questions concerning each request.
- (3) Repeat the question to which each response is intended to refer. The OAG can provide counsel for KPCo with an electronic version of these questions, upon request.
- (4) These requests shall be deemed continuing so as to require further and supplemental responses if the Companies receive or generate additional information within the scope of these requests between the time of the response and the time of any hearing conducted hereon.
- (5) Each response shall be answered under oath or, for representatives of a public or private corporation or a partnership or association, be accompanied by a signed certification of the preparer or person supervising the preparation of the response on behalf of the entity

that the response is true and accurate to the best of that person's knowledge, information, and belief formed after a reasonable inquiry.

(6) If you believe any request appears confusing, request clarification directly from Counsel for OAG.

(7) To the extent that the specific document, workpaper or information as requested does not exist, but a similar document, workpaper or information does exist, provide the similar document, workpaper, or information.

(8) To the extent that any request may be answered by way of a computer printout, identify each variable contained in the printout which would not be self-evident to a person not familiar with the printout.

(9) If the Companies have objections to any request on the grounds that the requested information is proprietary in nature, or for any other reason, notify Counsel for OAG as soon as possible.

(10) As used herein, the words "document" or "documents" are to be construed broadly and shall mean the original of the same (and all non-identical copies or drafts thereof) and if the original is not available, the best copy available. These terms shall include all information recorded in any written, graphic or other tangible form and shall include, without limiting the generality of the foregoing, all reports; memoranda; books or notebooks; written or recorded statements, interviews, affidavits and depositions; all letters or correspondence; telegrams, cables and telex messages; contracts, leases, insurance policies or other agreements; warnings and caution/hazard notices or labels; mechanical and electronic recordings and all information so stored, or transcripts of such recordings; calendars, appointment books, schedules, agendas and diary entries; notes or memoranda of conversations (telephonic or

otherwise), meetings or conferences; legal pleadings and transcripts of legal proceedings; maps, models, charts, diagrams, graphs and other demonstrative materials; financial statements, annual reports, balance sheets and other accounting records; quotations or offers; bulletins, newsletters, pamphlets, brochures and all other similar publications; summaries or compilations of data; deeds, titles, or other instruments of ownership; blueprints and specifications; manuals, guidelines, regulations, procedures, policies and instructional materials of any type; photographs or pictures, film, microfilm and microfiche; videotapes; articles; announcements and notices of any type; surveys, studies, evaluations, tests and all research and development (R&D) materials; newspaper clippings and press releases; time cards, employee schedules or rosters, and other payroll records; cancelled checks, invoices, bills and receipts; and writings of any kind and all other tangible things upon which any handwriting, typing, printing, drawings, representations, graphic matter, magnetic or electrical impulses, or other forms of communication are recorded or produced, including audio and video recordings, computer stored information (whether or not in printout form), computer-readable media or other electronically maintained or transmitted information regardless of the media or format in which they are stored, and all other rough drafts, revised drafts (including all handwritten notes or other marks on the same) and copies of documents as hereinbefore defined by whatever means made.

(11) For any document withheld on the basis of privilege, state the following: date; author; addressee; indicated or blind copies; all persons to whom distributed, shown, or explained; and, the nature and legal basis for the privilege asserted.

(12) In the event any document called for has been destroyed or transferred beyond the control of the Companies, state: the identity of the person by whom it was destroyed or

transferred, and the person authorizing the destruction or transfer; the time, place, and method of destruction or transfer; and, the reason(s) for its destruction or transfer. If destroyed or disposed of by operation of a retention policy, state the retention policy.

(13) Provide written responses, together with any and all exhibits pertaining thereto, in one or more bound volumes, separately indexed and tabbed by each response, in compliance with Kentucky Public Service Commission Regulations.

(14) “And” and “or” should be considered to be both conjunctive and disjunctive, unless specifically stated otherwise.

(15) “Each” and “any” should be considered to be both singular and plural, unless specifically stated otherwise.

Respectfully submitted,

RUSSELL COLEMAN  
ATTORNEY GENERAL



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LAWRENCE W. COOK  
J. MICHAEL WEST  
ANGELA M. GOAD  
T. TOLAND LACY  
JOHN G. HORNE II  
ASSISTANT ATTORNEYS GENERAL  
1024 CAPITAL CENTER DR., STE. 200  
FRANKFORT, KY 40601  
(502) 696-5453  
FAX: (502) 564-2698  
[Larry.Cook@ky.gov](mailto:Larry.Cook@ky.gov)  
[Michael.West@ky.gov](mailto:Michael.West@ky.gov)  
[Angela.Goad@ky.gov](mailto:Angela.Goad@ky.gov)  
[Thomas.Lacy@ky.gov](mailto:Thomas.Lacy@ky.gov)  
[John.Horne@ky.gov](mailto:John.Horne@ky.gov)

*Certificate of Service*

Pursuant to the Commission's Orders in Case No. 2020-00085, and in accord with all other applicable law, Counsel certifies that an electronic copy of the forgoing was served and filed by e-mail to the parties of record.

This 1<sup>st</sup> day of May, 2026



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Assistant Attorney General

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1. Refer to the Companies' Application at paragraph 31 wherein the Companies describe their request for authorization to defer merger costs.
  - a. Provide a listing and description of all expected merger costs that would be deferred pursuant to this request.
  - b. Provide a copy of all studies, analyses, and/or other documentation and/or internal communications that address expected merger costs and/or the amounts and quantifications of such costs.
  - c. Confirm it is the Companies' intent that any such deferrals will be limited to "incremental" costs that would not have been incurred but for the merger. Provide an affirmative statement as to the standard the Companies will apply for such deferrals, including the requirement that such costs be "incremental."
  - d. Refer to the Companies' Application at par. 8.
    - i. Confirm it is the Companies' intent not to defer the cost of the "significant IT upgrades the Companies and PPL are currently undertaking" pursuant to the deferral authority requested in this proceeding. If this is not correct, then provide a corrected statement, including a description of the IT upgrade costs the Companies intend to defer and the Companies' estimates of these costs, including all studies and analyses relied on for the estimates of the costs.
    - ii. Indicate whether it is the Companies' intent to defer the cost of the "significant IT upgrades the Companies and PPL are currently undertaking" pursuant to any other Commission deferral authority granted in another proceeding. If so, describe and provide a citation to each authority relied on for this purpose.
  - e. Refer to the direct testimony of Robert Conroy at 15 wherein he states "the Companies have incurred and will incur merger costs not being recovered through current rates or addressed by other deferrals, including legal, regulatory, and financing-related costs to achieve and implement merger (e.g., the cost of this proceeding)." Provide all studies, analyses, quantifications, and estimated merger costs to the extent not provided in response to parts (a) and (b) of this question.
2. Refer to the direct testimony of Robert Conroy at 5-6 wherein he addresses the costs of "the significant IT upgrades the Companies and PPL Corporation ("PPL") are currently undertaking."

- a. Provide a copy of all studies detailing the scope of the IT upgrades and the cost of the upgrades without the proposed merger.
  - b. Provide a copy of all studies detailing the scope of the IT upgrades and the cost of the upgrades with the proposed merger.
  - c. Provide a copy of all studies, analyses, other than provided in response to parts (a) and (b) of this question, and communications regarding the comparative scope and costs of the IT upgrades without and with the merger.
  - d. Refer to the direct testimony of Robert Conroy at 10-11 wherein he addresses the convergence of base rates and rider rates, other than the FAC and OSS riders, in future rate proceedings. Confirm that the IT upgrades the Companies and PPL are currently undertaking will require the systems to function separately for the legacy utilities, at least temporarily due to the timing of the next base rate proceeding and the convergence of base rates and rider rates other than the FAC and OSS rider rates, regardless of whether the merger is consummated. Explain your response.
3. Refer to the direct testimony of Robert Conroy at 11 wherein he states: “The Companies propose to unify their FAC and OSS mechanisms as part of their merger because attempting *not* to unify these mechanisms would be inefficient for several reasons.” [emphasis in original]
- a. Describe what is meant by the term “unify” with respect to the FAC and OSS mechanisms.
  - b. Confirm that KU and LG&E will maintain separate FAC and OSS riders after the merger until all rates are converged even if the KU and LG&E FAC and OSS riders reflect the post-merger combined fuel expense and OSS margins, at least in part, because the legacy utilities (recharacterized as “districts”) will continue billing their legacy customers until all base and rider rates are converged. If this is not correct, then provide a corrected statement and an explanation as to why each correction in the corrected statement was necessary. In addition, provide a copy of all support and/or analyses relied on for your response.
  - c. Provide a comparison of the present FAC and OSS rider rates for each of the legacy utilities to combined FAC and OSS rider rates assuming the merger had been in effect during the expense months used to calculate the present rider rates.
4. Refer to the direct testimony of Robert Conroy at 15-16 wherein he states “Here, the Companies anticipate that long-term merger savings will exceed merger implementation costs during this limited window of opportunity in which IT cost is

not an obstacle, making the implementation cost of merger a prudent investment for customers.”

- a. Provide a copy of all studies, analyses, and all other documentation and communications that quantify and compare the costs and savings from the proposed merger to the status quo by year on a nominal and npv basis, including all supporting studies, analyses, and all other documentation and communications.
  - b. Provide a listing and description of all expected merger savings.
  - c. Provide a copy of all studies, analyses, and/or other documentation and/or internal communications that address expected merger savings and/or the amounts and quantifications of such savings.
5. Refer to the direct testimony of Robert Conroy at 16 wherein he states: “the Companies anticipate seeking approvals related to the proposed merger from other regulatory bodies, including the Federal Energy Regulatory Commission and the Virginia State Corporation Commission.” Provide a copy of or a link to the Applications in the FERC and VSCC proceedings.
  6. Refer to Exhibit CMG-1 to the direct testimony of Christopher Garrett filed by the Companies in Cases 2025-00113 and 2025-00114. Confirm this “Legal Merger Assessment” does not include any quantitative analyses in the form of a forecast of merger costs to achieve, merger administrative savings, or merger synergy savings. If the Companies prepared such a forecast in support of the Assessment, then provide a copy of that forecast and all supporting analyses. If the Companies did not prepare such a forecast, then explain why they did not.
  7. Refer to the direct testimony of Christopher Garrett at 1 wherein he states: “I describe how the information technology (“IT”) investments the Companies are making create an opportunity, with no significant incremental cost, to design IT platforms to serve a single entity.” Confirm the scope and cost of the IT upgrades presently includes both legacy utilities and that the scope of the IT upgrades necessarily will continue to include both legacy utilities given that there will continue to be a separate set of tariffs for each legacy utility (rate division) until the tariffs are converged at some future date. If this statement is not correct, then provide a corrected statement and an explanation as to why each correction was necessary. In addition, provide all support relied on for your response.
  8. Refer to the direct testimony of Christopher Garret at 7 wherein he states: “In conjunction with the merger, the Companies may consider multiple long-term financing structures. The financing structures being evaluated include: (i) amend the existing LG&E and KU indentures; (ii) retain the legacy mortgage of the surviving entity, LG&E; and (iii) a collateral trust mortgage.” Confirm these multiple long-term

financing structures are available to the legacy utilities if there is no merger, i.e., the merger is not necessary in order for the Companies to pursue any of these structures if the Companies deem them attractive. Explain your response and provide all support relied on.

9. Refer to the direct testimony of Christopher Garrett at 11 wherein he states:

“The new combined entity will need to perform a depreciation study to consolidate the depreciation rates for KU and LG&E. The Companies have requested John Spanos, Gannett Fleming, to perform this study. To align the consolidated depreciation rates with the separate company depreciation rates, the Companies have requested Mr. Spanos to perform the study using the asset values as of June 30, 2024.<sup>1</sup> The Companies plan to file this study once available as part of this proceeding and request that the Commission approve these new depreciation rates for accounting purposes.”

- a. Explain why the Companies believe it is necessary to consolidate the depreciation rates for KU and LG&E at this time, given that the Companies do not propose any changes in their base rates, environmental surcharge rates, or any other tariffs that were/are based on revenue requirements determined with depreciation expense calculated using the depreciation rates approved in Cases 2025-00113 and 2025-00114. Provide all support relied on for your response.
- b. Explain why the Companies did not provide the depreciation study coincident with the filing of the Application in this proceeding.
- c. Indicate when the Companies plan to file the depreciation study in this proceeding.
- d. Describe how the parties are not denied their discovery and other procedural rights due to the delay in filing the depreciation study.
- e. Provide a copy of all purchase orders, contracts, engagement agreements, and/or other documents and communications, including notes and other handwritten writings, that describe the scope of the depreciation study to be performed by Gannett Fleming, including, but not limited to, all changes in parameters that will be or may be included in the depreciation study.

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<sup>1</sup> Footnote 9 in the quoted excerpt states: “Currently approved depreciation rates for KU and LG&E are based on depreciation studies as of June 30, 2024 filed as part of Case Nos. 2025-00113 and 2025-00114.”

10. Reference the Application, paragraph 33. Explain when the Companies expect to file Mr. Spanos' new depreciation study. If the new depreciation study is not filed into the record until after the discovery portion of the Commission's procedural schedule has expired, will the Companies agree to allow Staff and the intervenors the right to pose additional data requests pertaining to the depreciation study? If not, why not?
  - a. Explain why the new depreciation rates could not be reviewed in the next base rate case that the merged Company will file.
11. Provide the timeline for the planned convergence of the legacy utility rates to the post-merger combined utility single set of tariff rates.
12. Provide a copy of all studies and analyses that compare the base and rider rates and total rates, except for the FAC and OSS riders, of the legacy utilities to the post-merger combined utility single set of tariff rates by year. Identify all new costs that would arise as a result of the proposed merger. Include in your response a discussion regarding any potential federal compliance costs, including but not limited to depancaking costs, involving the Federal Energy Regulatory Commission (FERC).
13. Identify all risks to ratepayers associated with the proposed merger.
14. Identify the total dollar amount of projected cost savings expected from the proposed merger, including savings arising from the elimination of duplicative functions or costs. Explain also how those savings differ from savings already achieved under pre-existing shared operations,
15. Confirm that all ratepayers are now metered via the Companies' AMI system, with the exception of customers who have specifically opted out of AMI usage. If so confirmed, explain whether the proposed merger will affect any component of the AMI system / infrastructure, and if so, how. Include in your response a description of any changes to the Companies' accounting system and entries related to AMI costs and savings, including the use of AFUDC.
16. Reference the Final Order dated June 20, 2021 in Case No. 2020-00349, p. 63, item nos. 7 - 15. Explain whether the proposed merger will in any manner affect the quantification of benefits derived from the AMI deployment, and/or: (i) the development of the pre-pay program approved in Case Nos. 2025-00113 and 2025-00114; (ii) existing Demand Side Management programs; any (iii) any of the Commission-imposed requirements regarding the implementation of AMI, as set forth in the final orders for Case Nos. 2020-00349 and 2020-00350. Include in your response a discussion of the projected impact of the proposed merger on any conservation voltage reduction the merged Company may implement in its combined system.
17. Reference the Final Order dated June 20, 2021 in Case No. 2020-00349, p. 64, item no. 16. Provide a discussion regarding whether the proposed merger, including the

proposed Information Technology (IT) investments, will impact the Companies' AMI systems in any manner. Include in your discussion whether the IT investments will in any manner enhance the following: (i) implementation of conservation voltage reduction, whether on a combined system-wide basis or on selected circuits; (ii) power quality; (iii) asset management; (iv) distribution system investment and utilization; (v) load forecasting at the circuit level and more granular; (vi) peak reduction of generation; transmission development and utilization; and the calculation of all avoided cost categories and calculations used in determining NMS-2 and QF compensation.

18. Confirm whether both LG&E and KU currently have achieved Green Button certification. Explain whether both LG&E and KU customers currently have the ability to grant third parties access to their AMI data utilizing the Green Button Connect My Data standard. Include in your response the impact(s) that the proposed merger and the proposed IT investments will have on customers' ability to obtain their data through a single download. Explain also whether the merged Company will maintain its Green Button Connect My Data certification, and if not, why not.
19. State the total amount of merger-related costs anticipated by the Companies and identify which of these costs the Companies intend to seek to recover from ratepayers.
20. Explain what operational or financial benefits will result from the merger that are not already being achieved under the Companies' current structure.
21. Provide a discussion regarding how the Companies will proceed if they elect to rebrand their current operating names of LG&E and KU. Include in your discussion whether the Companies: (a) intend to retain a consultant in this regard; and (b) plan to obtain customer feedback on potential name changes, and if so, how, e.g., whether through participatory forums, surveys, etc.
22. Reference the Conroy direct testimony at 2:7-13. Assuming the merger is approved, and upon its consummation, will LG&E continue operating under the LG&E name in the current LG&E service territory?
23. Refer to the application, pages 6 – 7. The Companies assert that even though LG&E will be acquiring KU through the requested merger, it anticipates continuing to operate as LG&E and KU in each respective service territory. The Companies further state that, “[t]he combined utility may effectuate a name change at some point in the future, but the new name and the timing have not yet been determined. A name change would not require Commission approval under KRS 278.020.” Refer also to the Conroy direct testimony at 7:9 – 11, in which Mr. Conroy asserts that LG&E having two regulated utility operations makes it somewhat administratively easier for LG&E to be the acquiring entity.

- a. In addition to the cited administrative ease, explain in detail why it is more beneficial to both the Companies and the customers for LG&E to acquire KU instead of KU acquiring LG&E.
  - b. Provide all analyses and studies (including cost benefit analyses) conducted demonstrating all advantages and disadvantages of LG&E acquiring KU versus KU acquiring LG&E.
  - c. Provide a detailed explanation as to how the combined utility name change in the future will be beneficial to the customers and/or the Companies.
  - d. Provide a detailed explanation as to whether the combined utility name change in the future could have any negative ramifications for the customers and/or the Companies.
  - e. Provide a detailed explanation as to how the Companies will determine when the timing is best suited for a combined utility name change.
  - f. Provide all combined utility name changes that have been contemplated thus far.
  - g. Provide any and all updates for subparts (a) – (e) throughout the pendency of this case.
24. If the Commission grants the Companies' requested merger, will the merged Company perform special training with its customer service department to explain the merger situation to customers who contact the Companies with concerns regarding the same?
25. Reference the Conroy direct testimony at 10:13 – 18, in which Mr. Conroy states that merging the companies will cause minimal changes to the personnel who would otherwise operate and manage the utilities absent the proposed merger. Provide a detailed list of the minimal changes to personnel that will occur if the Commission were to approve of the Companies' requested merger.
26. Provide a discussion regarding whether the Companies intend to retain the All Electric Schools tariff (Tariff AES) in the current KU service territory, as set forth in KU Tariff Sheet 13. If so, discuss in detail how the Companies intend to make Tariff AES available in the current LG&E service territory. Include in your discussion all efforts made to reach out to the Jefferson County Public School system, private schools such as the Archdiocese of Louisville Catholic School system and other private schools who currently take service from LG&E.
27. Explain in detail all plans the Companies have for expanding and extending LG&E's gas service into areas of the Commonwealth that currently have no gas service.

28. Reference the application, paragraph 17. Provide a discussion regarding whether under the current state of tax law, the tax consequences of transferring cash among the LKE entities would remain minimized. If not, describe what actions would be necessary to mitigate the risk of incurring additional tax expense.
29. Explain how the proposed merger will affect the current joint dispatch of the Companies' generation fleet, and the operation of its transmission system.
30. Reference the McFarland direct testimony in Case Nos. 2025-00113 and 2025-00114, Exhibit BJM-2, § 2.0 at p. 8, wherein the witness states that since the 1998 merger, the transmission systems of LG&E and KU have been jointly planned, operated and maintained as one combined system. He further explains, however, that significant differences between the two systems remain. Discuss whether the merger is expected to affect how the Companies plan, operate and maintain their transmission systems.
31. Explain what effect the proposed merger will have on the Companies' special contracts. Will any such contracts require re-negotiation? If so, explain whether this would modify the current cost of service allocations developed through the most recent cost of service studies in dockets 2025-00113 and 2025-00114.
32. Explain what effect the proposed merger will have on the Companies' franchises. Will any franchise contracts require re-negotiation?
33. Regarding the applications that the Companies intend to submit to the Virginia State Corporation Commission in which they will seek approval of the merger:
  - a. Confirm that under its existing law, the Commonwealth of Virginia mandates that electric generating utilities require a certain percentage of their power be derived from renewable energy sources. Explain whether any such current mandates, or any recent legislative changes, could affect the merged Company in any manner. If not, explain fully why not.
  - b. Assuming the Virginia State Corporation Commission (VSCC) approves the application, will that approval cause rates to increase for LG&E-KU customers? If so, provide complete details. Please consider this an on-going request to provide all relevant updates.
  - c. Explain whether any VSCC regulation or legal mandate will impact the LDC operations of the merged Company, assuming all necessary approvals for merger are obtained.
34. Explain whether LG&E and/or KU have any bilateral contracts in place for off-system power sales to non-affiliates. If so, discuss the ramifications on these contracts in the event the proposed merger is approved.
35. Explain whether LG&E and/or KU have any bilateral contracts in place for off-system power purchases from non-affiliates. If so, discuss the ramifications on these contracts

in the event the proposed merger is approved. Include in your discussion the Companies' off-system purchases from OVEC.

36. With regard to the proposal to unify the two Companies' fuel adjustment clauses (FAC), provide a discussion regarding: (i) whether one company or the other is more dependent on barge delivery of coal to its coal-fired generating stations; and (ii) the current and projected impacts that the Persian Gulf war is currently having on diesel prices.
37. Reference the Conroy testimony at 15-16. Explain why the Companies are not seeking permission to establish a regulatory liability to track savings from the proposed merger.
38. Confirm that if the proposed merger is approved, the remaining service companies would be PPL Services Corp., and LG&E and KU Energy, LLC. If confirmed, explain whether the merger of these two companies could provide cost savings to ratepayers.
39. Confirm that the proposed merger will not require the Companies to submit a Hart-Scott-Rodino Act filing to the U.S. Department of Justice.
40. Explain whether as a result of the proposed merger, PPL plans on paying any special dividends on any class of stock. If so, provide details including whether the officers, directors or majority holders of common stock are among potential recipients of any such special dividend.
41. Explain whether the merged Company anticipates any changes in accounting principles, including tax procedures and filing requirements. If so, summarize the changes and identify the impact on ratepayers.
42. Explain whether PPL or any of its affiliates will receive any type or sort of tax advantages or benefits as a result of the proposed merger.