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August 27, 2010

Via Hand-Delivery

Mr. Jeff Derouen, Executive Director Kentucky Public Service Commission 211 Sower Boulevard Frankfort, Kentucky 40602 AUG 27 2010
PUBLIC SERVICE COMMISSION

RE:

Case No. 2010-00204

Dear Mr. Derouen:

Please find enclosed the original and twelve (12) copies of the Kentucky School Board Association's Data Request Responses of KSBA to Commission Staff filed in this matter. By copy of this letter, all parties listed on the Certificate of Service have been served.

Please place the document of file.

Regards,

Matthew Malone

C: File

#### COMMONWEALTH OF KENTUCKY BEFORE THE PUBLIC SERVICE COMMISSION

CASE NO. 2010-00204 In the matter of:

JOINT APPLICATION OF PPL CORPORATION

E.ON AG, E.ON US INVESTMENTS CORP., E.ON US. LLC, LOUISVILLE GAS AND ELECTRIC

COMPANY AND KENTUCKY UTILITIES COMPANY FOR APPROVAL OF AN ACQUISITION

OF OWNERSHIP AND CONTROL OF UTILITIES

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AUG 27 2010

PUBLIC SERVICE COMMISSION

### KENTUCKY SCHOOL BOARDS ASSOCIATION'S CERTIFICATE OF SERVICE REGARDING DATA REQUESTS RESPONSES OF KSBA TO COMMISSION STAFF

Comes the Kentucky School Boards Association, by counsel, and hereby certifies that an original and twelve (12) copies of the attached data request responses to the Commission Staff were served via hand-delivery upon Jeff Derouen, Executive Director, Public Service Commission, 211 Sower Boulevard, Frankfort, Kentucky 40602-0615; furthermore, it was served by mailing a copy by first class U.S. Mail, postage prepaid, on the following, and by electronic mail where available all on this 27<sup>th</sup> day of August, 2010.

Hon. David C. Brown Stites & Harbison, PLLC 1800 Providian Center 400 West Market Street Louisville, Kentucky 40202

Hon, Michael L. Kurtz Boehm, Kurtz & Lowry 36 East Seventh Street **Suite 1510** Cincinnati, OH 45202

Hon. Dennis G. Howard, II Hon. Lawrence W. Cook Assistant Attorney General Office of the Attorney General Utility and Rate Intervention Division 1024 Capital Center Drive, Suite 200 Frankfort, Kentucky 40601-8204

Hon. Iris G. Skidmore Bates & Skidmore 415 W. Main Street, Suite 2 Frankfort, Kentucky 40601

Hon. Allyson K. Sturgeon Senior Corporate Attorney E.ON U.S. LLC 220 W. Main Street Louisville, KY 40202

Hon. Lonnie E. Bellar E.ON U.S. LLC 220 West Main Street Louisville, Kentucky 40202

Hon. Kendrick R. Riggs Stoll Keenon Ogden, PLLC 2000 PNC Plaza 500 W. Jefferson Street Louisville, KY 40202

David Barberie, Esq. Lexington-Fayette Urban County Gov't Department of Law 200 E. Main Street Lexington, KY 40507

Robert J. Grey, Esq. Paul Russell, Esq. PPL Corporation Two North Ninth Street Allentown, PA 18101

Lisa Kilkelly, Esq. Legal Aid Society 416 W. Muhammad Ali Blvd., Ste. 300 Louisville, KY 40202

Don Meade, Esq. Priddy, Cutler, Miller & Meade 800 Republic Bldg. 429 W. Muhammad Ali Blvd. James M. Miller, Esq. Sullivan, Mountjoy, Stainback & Miller, PSC 100 St. Ann Street, PO Box 727 Owensboro, KY 42302-0727

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Counsel for the Petitioner, KENTUCKY SCHOOL BOARDS ASSOCIATION

#### VERIFICATION

Comes the undersigned, Charles D. Buechel, being duly sworn, deposes and states that he is President of Utility and Economic Consulting, Inc., that he has personal knowledge of the matters set forth in the attached responses on behalf of the Kentucky School Boards Association for which he is identified as a witness, and the answers contained therein are true and correct to the best of his knowledge.

Charles D. Buechel

COMMONWEALTH OF KENTUCKY )
COUNTY OF FAYETTE )

Subscribed and sworn to me this <u>25<sup>th</sup></u> day of August 2010, by Charles Buechel.

Emily Jennings Williams
Notary Public

My Commission Expires: 11/21/2011

CASE NO. 2010-00204

# Response to First Data Request of Commission Staff Dated August 16, 2010

#### **Ouestion 1**

Responding Witness: Charles D. Buechel on behalf of KSBA

Q-1. Refer to lines 10-13 on page 4 of the Testimony of Charles D. Buechel ("Buechel Testimony"). Based on this statement, state whether it is KSBA's belief that Kentucky Utilities Company ("KU") can disregard Section 5.24 of the Stipulation and Settlement, which the Commission approved in Case No. 2009-00548. Explain.

A-1. KSBA does not believe that KU can disregard Section 5.24 of the Stipulation and Settlement approved in Case No. 2009-00548. KSBA's concern is that KU may choose to entirely eliminate the AES tariff in some future rate proceeding. During some KSBA members' discussions with various KU personnel, this possibility of eliminating the AES tariff has been mentioned. Before the schools commit resources to various energy saving programs they would like some assurance that the AES tariff will remain in effect indefinitely.

CASE NO. 2010-00204

# Response to First Data Request of Commission Staff Dated August 16, 2010

#### Question 2

Responding Witness: Charles D. Buechel on behalf of KSBA

Q-2. Refer to lines 14-20 on page 4 of the Buechel Testimony. Describe the type of information that schools referenced in the testimony are currently receiving from either KU or Louisville Gas and Electric Company.

A-2. Currently the schools are receiving the standard billing information that accompanies the monthly bill for the particular tariff under which service was provided. In order to better analyze and manage their energy usage, the schools would prefer access to electronic information that includes hourly demands and usage.

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#### CASE NO. 2010-00204

### Response to First Data Request of Commission Staff Dated August 16, 2010

#### **Question 3**

Responding Witness: Charles D. Buechel on behalf of KSBA

- Q-3. Refer to line 16 on page 6 to line 2 on page 7 of the Buechel Testimony. Explain whether KSBA is suggesting that any future rate increases in KU's All Electric Schools rate should be "[c]onsistent with the majority of other tariff changes" regardless of cost-of-service results or other factors that come into play in the ratemaking process.
- A-3. KSBA has lingering concerns about the cost-of-service method used by KU in its previous rate case and how it could assign the highest percentage increase to the AES customers. However, KSBA is not suggesting the imposition of any conditions on future rate increases.

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Response to First Data Request of Commission Staff
Dated August 16, 2010

#### **Question 4**

Responding Witness: Charles D. Buechel on behalf of KSBA

Q-4. Refer to lines 3-15 on page 7 of the Buechel Testimony which reference "[tlhe elimination of Rate GS-Primary" and its effect on the bills of schools using ball field or stadium lights. KU's tariffs prior to Case No. 2009-00548 did not include a Rate GS-Primary. State whether Mr. Buechel intended to refer to another rate or is referring to a tariff revision that preceded Case No. 2009-00548.

A-4. Prior to Case No. 2008-00251, KU's General Service Rate, GS, offered a primary discount of 5% to be applied to the customer's bill if the customer's demand exceeded 50 kilowatts or more during the billing period. With the tariff revisions in Case No. 2008-00251, this primary discount provision was removed and these customers were migrated to Large Power Service, LP, for primary customers. Some of the schools' ball fields have seen their bills increase by as much as \$20,000. KSBA believes this is one of the many "unintended consequences" that can occur when large groups of customers are migrated to different tariffs. This reinforces KSBA's concern about the "unintended consequences" that could result from the possible elimination of KU's AES tariff.