# COMMONWEALTH OF KENTUCKY BEFORE THE PUBLIC SERVICE COMMISSION

RECEIVED

JUN 29 2011

In the Matter of:

PUBLIC SERVICE COMMISSION

THE 2011 JOINT INTEGRATED RESOURCE	)	
PLAN OF LOUISVILLE GAS AND ELECTRIC	)	CASENO. 2011-00140
COMPANY AND KENTUCKY UTILITIES	)	
COMPANY	)	

#### ATTORNEY GENERAL'S INITIAL DATA REQUESTS

Comes now the intervenor, the Attorney General of the Commonwealth of Kentucky, by and through his Office of Rate Intervention, and submits these Initial Requests for Information to Louisville Gas & Electric Co. ["LG&E"] and Kentucky Utilities Co. ["KU"] (hereinafter jointly referred to as "the Companies"] to be answered by the date specified in the Commission's Order of Procedure, and in accord with the following instructions:

- (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) Please identify the witness(es) who will be prepared to answer questions concerning each request.
- (3) Please repeat the question to which each response is intended to refer. The Office of the Attorney General can provide counsel for the Companies with an electronic version of these data requests, upon request.
- (4) These requests shall be deemed continuing so as to require further and supplemental responses if the company receives or generates 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 any request appears confusing, please request clarification directly from the Office of Attorney General.
- (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, please identify each variable contained in the printout which would not be self evident to a person not familiar with the printout.
- (9) If the company has objections to any request on the grounds that the requested information is proprietary in nature, or for any other reason, please notify the Office of the Attorney General 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 include all information regardless of the medium or media in which they are recorded

(including electronic media and e-mail), in any written, graphic or other tangible form including, but not necessarily limited to: 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 / records, 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), computerreadable media or other electronically maintained or transmitted information, 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 company:
- (a) please identify: (i) the person by whom it was destroyed and/or transferred;(ii) the transferee; and (iii) the person authorizing the destruction or transfer; and
- (b) state: (i) the time, place, and method of destruction or transfer; and, (ii) the reason(s) for its destruction or transfer. If destroyed or disposed of by operation of a retention policy, state the retention policy.
- (13) Please 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.

Respectfully submitted, **JACK CONWAY** ATTORNEY GENERAL

DENNIS G. HOWARD, II

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### Certificate of Service and Filing

Counsel certifies that an original and ten photocopies of the foregoing were served and filed by hand delivery to Jeff Derouen, Executive Director, Public Service Commission, 211 Sower Boulevard, Frankfort, Kentucky 40601; counsel further states that true and accurate copies of the foregoing were mailed via First Class U.S. Mail, postage pre-paid, to:

Allyson Sturgeon Rick E. Lovekamp LG&E and KU Energy LLC 220 W. Main St. Louisville, KY 40202

Hon. Michael L. Kurtz Attorney at Law Boehm, Kurtz & Lowry 36 East Seventh Street Ste. 1510 Cincinnati, OH 45202

this day of June, 2011

Assistant Attorney General

## The 2011 Joint Integrated Resource Plan Of Louisville Gas And Electric Company And Kentucky Utilities Company Case No. 2011-00140 Attorney General's Data Requests

- 1. The IRP filing, together with documents filed in Case Nos. 2011-00161 and 2011-00162 indicate that the Companies are either planning on, or considering whether to retire the remaining coal-fired units at their Cane Run facility, and that they are exploring whether to construct a combined cycle combustion turbine at that facility.
  - a. What type of load would any such replacement generation serve: peak, intermediate or base?
  - b. Please state whether the generating units / plants to be retired are fully depreciated.
    - (i) If so, how do the Companies plan to treat the accounting regarding any such stranded costs?
    - (ii) If not, will the retirement result in stranded costs, and if so, will ratepayers in any manner be made responsible for the stranded costs?
- 2. The filing indicates the Companies plan to retire the remaining coal-fired units at their Green River and Tyrone facilities.
  - a. Please state whether the generating units / plants to be retired are fully depreciated.
    - (i) If so, how does the company plan to treat the accounting regarding any such stranded costs?
    - (ii) If not, will the retirement result in stranded costs, and if so, will ratepayers in any manner be made responsible for the stranded costs?
- 3. The latest round of EPA air quality regulations have imposed compliance deadlines resulting in utilities around the nation, including LG&E and KU, having to rush to develop plans to achieve compliance. This has also resulted in many utilities re-examining the findings of their latest IRP reviews. As the EPA continues the planning process for even more air quality regulations, e.g. "CATR II," is there any possibility that the results of the instant IRP review and the other processes the companies initiated in order to develop plans for compliance with the new air quality regulations may need to be amended and / or revised in order to achieve compliance? If so, are the companies prepared, if the need arises, to conduct another IRP review prior to the time that the next review would otherwise have been conducted? Please discuss and elaborate as needed.

## The 2011 Joint Integrated Resource Plan Of Louisville Gas And Electric Company And Kentucky Utilities Company Case No. 2011-00140 Attorney General's Data Requests

- 4. LG&E has engaged in an extensive program to rehabilitate the Ohio falls hydro generation station. Is it economically feasible to consider an expansion of this facility in addition to the current rehabilitation work? Please discuss and elaborate as needed.
- 5. Have the companies considered offering to purchase other hydro generation plants around the Commonwealth and expanding them, if feasible? Provide a discussion, as needed, of federal and state permitting requirements that would be necessary to expand any such facilities.
- 6. Regarding the IRP review's finding that several new CTs will be needed in the coming years, please discuss whether the companies are willing to consider either purchases of generation (whether short-term PPAs, long-term, or both) from merchant plants located in the Commonwealth, and / or outright purchases of such generation plants themselves.
- 7. The IRP filing appears to be premised at least in part upon improving economic conditions for the remainder of the current calendar year, and for 2012. However, recent news reports indicate the nation may be facing yet another economic downturn of unknown magnitude. In the event of another recession, at what point, if any, would the findings of the IRP filing become obsolete or in need of revision? Please discuss.