

COMMONWEALTH OF KENTUCKY
BEFORE THE PUBLIC SERVICE COMMISSION

In the Matter of:

ELECTRONIC APPLICATION OF LOUISVILLE)	CASE NO.
GAS AND ELECTRIC COMPANY FOR AN)	2019-00301
AMENDED GAS LINE TRACKER)	

COMMISSION STAFF'S INITIAL REQUEST FOR INFORMATION
TO LOUISVILLE GAS AND ELECTRIC COMPANY

Louisville Gas and Electric Company (LG&E), pursuant to 807 KAR 5:001, is to file with the Commission the original and an electronic version of the following information. The information requested herein is due on November 1, 2019. Responses to requests for information in paper medium shall be appropriately bound, tabbed, and indexed. Electronic documents shall be in portable document format (PDF), shall be searchable and shall be appropriately bookmarked.

Each response shall include the name of the witness responsible for responding to the questions related to the information provided. Each response shall be answered under oath or, for representatives of a public or private corporation or a partnership or association or a governmental agency, be accompanied by a signed certification of the preparer or the 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.

LG&E shall make timely amendment to any prior response if LG&E obtains information which indicates that the response was incorrect when made or, though correct when made, is now incorrect in any material respect. For any request to which LG&E

fails or refuses to furnish all or part of the requested information, LG&E shall provide a written explanation of the specific grounds for its failure to completely and precisely respond.

Careful attention shall be given to copied material to ensure that it is legible. When the requested information has been previously provided in this proceeding in the requested format, reference may be made to the specific location of that information in responding to this request. When applicable, the requested information shall be separately provided for total company operations and jurisdictional operations. When filing a paper containing personal information, LG&E shall, in accordance with 807 KAR 5:001, Section 4(10), encrypt or redact the paper so that personal information cannot be read.

1. Refer to the Direct Testimony of Robert M. Conroy (Conroy Testimony), page 6, lines 6–8. Explain how the allocation of the revenue requirement for the proposed projects was derived.

2. Refer to the Conroy Testimony, Exhibit RMC-1.

a. Provide an electronic copy of Exhibit RMC-1 in Excel spreadsheet format with all formulas intact.

b. Refer to page 9. For the most recent historical 13 months available, provide the capital structure and the cost of short-term and long-term debt.

c. Provide the weighted average cost of capital using the information requested in item b. above and a 9.725 percent return on equity.

3. Refer to the Direct Testimony of John P. Malloy (Malloy Testimony), page 4, regarding the issue of speed excursions.

a. On average, within the last five years, provide how often instances of speed excursions have occurred during an inline pipeline inspection for the Western Kentucky A and B pipelines.

b. Explain whether issues relating to speed excursions increase the cost of inspection.

c. Explain whether LG&E has quantified the reduction in the risk of speed excursions (and associated reduction in inspection expenses, if any) resulting from making the Western Kentucky A and B pipelines dual-diameter. If so, provide a copy of the quantification.

4. Refer to the Malloy Testimony, pages 4–5, regarding the development of a multi-diameter tool.

a. Explain why the new multi-diameter tool will not be able to handle a transition to a 22-inch pipe.

b. Explain whether inline inspection tool vendors other than Rosen USA were considered by LG&E to develop a multi-diameter tool and further explain why Rosen USA was chosen as the vendor.

5. Refer to the Malloy Testimony, page 6, lines 19–21, regarding the description of the Western Kentucky A Line. Explain why the Western Kentucky A Line consists of 18 pipeline segments that have three different diameters.

6. Refer to the Malloy Testimony, page 7, lines 4–9, regarding the replacement of 16-inch pipe segments with 20-inch pipe segments at the Blevins Gap Road railroad crossing associated with the Western Kentucky A Line project. Explain in further detail

why the crossing needs to be exclusively 20-inch segments in order to reduce speed excursion risks.

7. Refer to the Malloy Testimony page 7, lines 12–14, regarding the possibility of needing additional temporary and permanent easements associated with the Western Kentucky A Line project. State when LG&E will know definitively whether temporary or permanent easements will be needed to complete this project and identify the potential property owners that will need to provide such easements.

8. Refer to the Malloy Testimony, page 8, lines 9–12, regarding the description of the Western Kentucky B Line. Explain why the Western Kentucky B Line consists of 15 pipeline segments that have three different diameters.

9. Refer to the Malloy Testimony, page 8, lines 20–23, regarding the possibility of needing additional temporary and permanent easements. State when LG&E will know definitively whether temporary or permanent easements will be needed to complete the Western Kentucky B Line project and identify the property owners that will need to provide such easements.

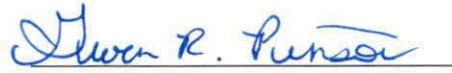
10. Refer to the Malloy Testimony, page 9, lines 14–23, regarding the description of the Magnolia Lines.

a. Explain why there are two different diameter pipelines that run from Magnolia Compressor Station in LaRue County to Hardin County.

b. Explain the existence of the eight oversized crossings.

11. For each project in which LG&E proposes to remove a section of pipe, identify the year that the pipeline was installed, the original cost, operation and maintenance expense, and the accumulated depreciation associated with each section.

12. Provide a copy of the full study, including calculations and assumptions shown in Exhibit JPM-1.



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Executive Director
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DATED OCT 16 2019

cc: Parties of Record

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