COMMONWEALTH OF KENTUCKY

BEFORE THE PUBLIC SERVICE COMMISSION

In the Matter of:

ELECTRONIC APPLICATION OF LOUISVILLE GAS AND ELECTRIC COMPANY FOR APPROVAL OF AN AMENDED ENVIRONMENTAL COMPLIANCE PLAN AND A REVISED ENVIRONMENTAL SURCHARGE

CASE NO. 2020-00061

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 an electronic version of the following information. The information requested herein is due on May 22, 2020. The Commission directs LG&E to the Commission's March 16, 2020 and March 24, 2020 Orders in Case No. 2020-00085¹ regarding filings with the Commission. The Commission expects the original documents to be filed with the Commission within 30 days of the lifting of the current state of emergency. All responses 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

¹ Case No. 2020-00085, *Electronic Emergency Docket Related to the Novel Coronavirus COVID-*19 (Ky. PSC Mar. 16, 2020), Order at 5–6. Case No. 2020-00085, *Electronic Emergency Docket Related to the Novel Coronavirus COVID-*19 (Ky. PSC Mar. 24, 2020), Order at 1–3.

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 application, page 4, and application Exhibit 1, page 1 of 2. For Project 31, provide a chart of necessary permits including the issuing authority, status, and actual or estimated dates filed and received.

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2. Refer to the application, page 6, and application Exhibit 1, page 1 of 2. For Project 32, provide a chart of necessary permits including the issuing authority, status, and actual or estimated dates filed and received.

3. Refer to the Direct Testimony of Robert M. Conroy (Conroy Testimony), page 3, regarding LG&E's expectations in 2016 of future compliance expenditures related to the 2015 Effluent Limitations Guidelines Rule (2015 ELG Rule). State whether LG&E anticipates any additional 2015 ELG Rule related compliance expenditures beyond those proposed in the instant matter.

4. Refer to the Conroy Testimony, page 9. Describe in more detail the plans to finance the projects, including estimates on the debt and equity mix.

5. Refer to the Direct Testimony of Gary H. Revlett (Revlett Testimony), pages 6–7, regarding the 2019 proposed revisions to the flue gas desulfurization (FGD) wastewater limits and the bottom ash transport water (BATW) wastewater limits.

a. Provide the current daily and monthly effluent discharges of arsenic, mercury, selenium, and nitrates/nitrites in FGD wastewater for the Trimble County Generating Station (Trimble County) and the Mill Creek Generating Station (Mill Creek).

b. Provide the current daily discharge for BATW wastewater at Trimble County and the Mill Creek.

6. Refer to the Revlett Testimony, pages 11–12, and the Direct Testimony of Stuart A. Wilson, pages 7–8.

a. Explain what additional expansions would be needed to increase the water treatment systems for Mill Creek to 750 gallons per minute (gpm).

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b. Explain why further limitations on nitrogen oxide (NO_x) emissions could effectively eliminate the ability to simultaneously operate Mill Creek Units 1 and 2.

c. Explain whether both Mill Creek Units 1 and 2 would operate simultaneously from November to March and, if so, whether the 600-gpm capacity of the proposed Effluent Limitations Guidelines (ELG) water treatment system would be sufficient.

d. State when LG&E expects a determination to be made by the Kentucky Energy and Environment Cabinet and the Louisville Metro Air Pollution Control District to limit the NO_x emissions at Mill Creek for the months of April through October. If further NO_x limitation is imposed, explain how this will impact the current engineering design of treating 600 gpm of effluent from the process water systems at Mill Creek.

7. Refer to the Revlett Testimony, page 8. Describe the differences between biological and chemical treatment methods, including the costs, benefits, and effectiveness of each method.

8. Refer to the Direct Testimony of R. Scott Straight (Straight Testimony), page 6–7.

a. Explain the method and timing for issuing requests for proposals in relation to the proposed projects.

b. State whether the two vendors referenced in the Straight Testimony will be preferred for the purposes of these projects.

c. State whether international vendors will be considered for the proposed projects.

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d. Regarding the benefits in moving forward with the proposed projects now rather than waiting, state whether LG&E has performed any analysis to quantify the reduction in risks and costs. If so, provide a copy of that analysis.

9. Refer to the Straight Testimony, pages 22, 23, and 25.

a. Explain whether the ELG water treatment systems will require LG&E to hire additional personnel.

b. Refer also to the Direct Testimony of Andrea M. Fackler, page 5, lines 21–23. Explain whether LG&E is seeking to recover incremental expense associated with additional personnel through the Environmental Cost Recovery Surcharge.

Kent A. Chandler Executive Director Public Service Commission P.O. Box 615 Frankfort, KY 40602

DATED <u>MAY 06 2020</u>

cc: Parties of Record

*Honorable Allyson K Sturgeon Senior Corporate Attorney LG&E and KU Energy LLC 220 West Main Street Louisville, KENTUCKY 40202

*Andrea M. Fackler Manager, Revenue Requirement LG&E and KU Energy LLC 220 West Main Street Louisville, KENTUCKY 40202

*Robert Conroy LG&E and KU Energy LLC 220 West Main Street Louisville, KENTUCKY 40202

*Louisville Gas and Electric Company 220 W. Main Street P. O. Box 32010 Louisville, KY 40232-2010