

COMMONWEALTH OF KENTUCKY
BEFORE THE PUBLIC SERVICE COMMISSION

In the Matter of:

ELECTRONIC APPLICATION OF KENTUCKY)	
UTILITIES COMPANY FOR AN ADJUSTMENT OF)	CASE NO.
ITS ELECTRIC RATES AND APPROVAL OF)	2025-00113
CERTAIN REGULATORY AND ACCOUNTING)	
TREATMENTS		

COMMISSION STAFF'S FIRST REQUEST FOR INFORMATION
TO UNITED STATES DEPARTMENT OF DEFENSE AND
ALL OTHER FEDERAL EXECUTIVE AGENCIES

United States Department of Defense and all other Federal Executive Agencies (DOD/FEA), pursuant to 807 KAR 5:001, shall file with the Commission an electronic version of the following information. The information requested is due on September 23, 2025. The Commission directs DOD/FEA to the Commission's July 22, 2021 Order in Case No. 2020-00085¹ regarding filings with the Commission. Electronic documents shall be in portable document format (PDF), shall be searchable, and shall be appropriately bookmarked.

Each response shall include the question to which the response is made and 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

¹ Case No. 2020-00085, *Electronic Emergency Docket Related to the Novel Coronavirus COVID-19* (Ky. PSC July 22, 2021), Order (in which the Commission ordered that for case filings made on and after March 16, 2020, filers are NOT required to file the original physical copies of the filings required by 807 KAR 5:001, Section 8).

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.

DOD/FEA shall make timely amendment to any prior response if DOD/FEA obtains information that indicates the response was incorrect or incomplete when made or, though correct or complete when made, is now incorrect or incomplete in any material respect.

For any request to which DOD/FEA fails or refuses to furnish all or part of the requested information, DOD/FEA shall provide a written explanation of the specific grounds for its failure to completely and precisely respond.

Careful attention shall be given to copied and scanned 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, DOD/FEA 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 Jessica A. York (York Direct Testimony), pages 12-14. Explain how the adjustment made to the classification of Steam Production Maintenance expense will impact the rate of return on rate base and cost-based rates for each rate class. Additionally, provide the impact in Excel format with all formulas, rows, and columns unprotected and fully accessible.

2. Refer to the Direct Testimony of Michael P. Gorman (Gorman Direct Testimony). Provide all workpapers and Excel spreadsheets formatted with all formulas, columns, and rows unprotected and fully accessible.

3. Refer to the Gorman Direct Testimony, page 33, lines 18-21. Explain how a 13-week period for calculating the average stock price is an adequate period of time to normalize short-term volatility to reflect the stock's long-term value.

4. Refer to the Gorman Direct Testimony, page 35, lines 3-8.

a. Provide support for the use of Zacks, MI, and I/B/E/S as sources for analysts' growth rate estimates.

b. Explain the reason for not including growth rate projections obtained from Value Line.

c. Explain why dividend growth rates were not used and whether, in addition to earnings per share growth rates, the use of dividend growth rates should also be included in the analysis.

5. Refer to the Gorman Direct Testimony, page 41.

a. Provide further justification for the use of a Multi-Stage Growth Discounted Cash Flow (DCF) Model.

b. Compare the use of Multi-Stage Growth DCF Models and Constant Growth DCF Models in determining return on equity (ROE), generally.

6. Refer to the Gorman Direct Testimony, page 61, lines 6-13. Explain the use of only one source of beta values. In the response, include a discussion regarding beta values from sources such as S&P IQ in the context of ROE analyses.

7. Refer to the Gorman Direct Testimony, page 61, lines 15-21. Elaborate on the methodology used to calculate the estimated expected return on the market.



Linda C. Bridwell, PE
Executive Director
Public Service Commission
P.O. Box 615
Frankfort, KY 40602

DATED **SEP 10 2025** _____

cc: Parties of Record

*Angela M Goad
Assistant Attorney General
Office of the Attorney General Office of Rate
700 Capitol Avenue
Suite 20
Frankfort, KY 40601-8204

*Honorable David Edward Spenard
Strobo Barkley PLLC
239 South 5th Street
Ste 917
Louisville, KY 40202

*Jody Kyler Cohn
Boehm, Kurtz & Lowry
425 Walnut Street
Suite 2400
Cincinnati, OH 45202

*Ashley Wilmes
Kentucky Resources Council, Inc.
Post Office Box 1070
Frankfort, KY 40602

*Honorable W. Duncan Crosby III
Attorney at Law
Stoll Keenon Ogden, PLLC
2000 PNC Plaza
500 W Jefferson Street
Louisville, KY 40202-2828

*Joe F. Childers
Childers & Baxter PLLC
300 Lexington Building, 201 West Sho
Lexington, KY 40507

*Honorable Allyson K Sturgeon
Vice President and Deputy General Counsel-
LG&E and KU Energy LLC
220 West Main Street
Louisville, KY 40202

*Thomas J FitzGerald
Counsel & Director
Kentucky Resources Council, Inc.
Post Office Box 1070
Frankfort, KY 40602

*John Horne
Office of the Attorney General Office of Rate
700 Capitol Avenue
Suite 20
Frankfort, KY 40601-8204

*Bethany Baxter
Childers & Baxter PLLC
300 Lexington Building, 201 West Sho
Lexington, KY 40507

*Gabriel Thatcher
Attorney Senior
Lexington-Fayette Urban County Government
Department Of Law
200 East Main Street
Lexington, KY 40507

*Honorable Kurt J Boehm
Attorney at Law
Boehm, Kurtz & Lowry
425 Walnut Street
Suite 2400
Cincinnati, OH 45202

*Byron Gary
Kentucky Resources Council, Inc.
Post Office Box 1070
Frankfort, KY 40602

*Hannah Wigger
Sheppard Mullin Richter & Hampton LLP
2099 Pennsylvania Avenue NW, Suite 1
Washington, DC 20006

*Kyle J Smith
General Attorney
U.S. Army Legal Services Agency
9275 Gunston Road
ATTN: JALS-RL/IP
Fort Belvoir, VA 22060-554

*Carrie H Grundmann
Spilman Thomas & Battle, PLLC
110 Oakwood Drive, Suite 500
Winston-Salem, NC 27103

*James B Dupree
50 Third Ave
Building 1310- Pike Hall
Fort Knox, KY 40121

*Honorable Lindsey W Ingram, III
Attorney at Law
STOLL KEENON OGDEN PLLC
300 West Vine Street
Suite 2100
Lexington, KY 40507-1801

*Honorable David J. Barberie
Managing Attorney
Lexington-Fayette Urban County Government
Department Of Law
200 East Main Street
Lexington, KY 40507

*James W Gardner
Sturgill, Turner, Barker & Moloney, PLLC
333 West Vine Street
Suite 1400
Lexington, KY 40507

*Lawrence W Cook
Assistant Attorney General
Office of the Attorney General Office of Rate
700 Capitol Avenue
Suite 20
Frankfort, KY 40601-8204

*Matt Partymiller
President
Kentucky Solar Industries Association
1038 Brentwood Court
Suite B
Lexington, KY 40511

*Rebecca C. Price
Sturgill, Turner, Barker & Moloney
155 East Main Street
Lexington, KY 40507

*J. Michael West
Office of the Attorney General Office of Rate
700 Capitol Avenue
Suite 20
Frankfort, KY 40601-8204

*Randal A. Strobo
Strobo Barkley PLLC
239 South 5th Street
Ste 917
Louisville, KY 40202

*Honorable Michael L Kurtz
Attorney at Law
Boehm, Kurtz & Lowry
425 Walnut Street
Suite 2400
Cincinnati, OH 45202

*Steven W Lee
Spilman Thomas & Battle, PLLC
1100 Brent Creek Blvd., Suite 101
Mechanicsburg, PA 17050

*Nathaniel Shoaff
Sierra Club
2101
Webster St. , Suite 1300
Oakland, CA 94612

*Kentucky Utilities Company
220 W. Main Street
P. O. Box 32010
Louisville, KY 40232-2010

*Paul Werner
Sheppard Mullin Richter & Hampton LLP
2099 Pennsylvania Avenue NW, Suite 1
Washington, DC 20006

*Sara Judd
Senior Corporate Attorney
LG&E and KU Energy LLC
220 West Main Street
Louisville, KY 40202

*Rick E Lovekamp
Manager - Regulatory Affairs
LG&E and KU Energy LLC
220 West Main Street
Louisville, KY 40202

*Toland Lacy
Office of the Attorney General
700 Capital Avenue
Frankfort, KY 40601

*Robert Conroy
Vice President, State Regulation and Rates
LG&E and KU Energy LLC
220 West Main Street
Louisville, KY 40202

*M. Todd Osterloh
Sturgill, Turner, Barker & Moloney, PLLC
333 West Vine Street
Suite 1400
Lexington, KY 40507