COMMONWEALTH OF KENTUCKY

BEFORE THE PUBLIC SERVICE COMMISSION

In the Matter of:

ELECTRONIC APPLICATION OF LOUISVILLE GAS AND ELECTRIC COMPANY FOR AN ADJUSTMENT OF ITS ELECTRIC AND GAS RATES AND APPROVAL OF CERTAIN REGULATORY AND ACCOUNTING TREATMENTS	))))))	CASE NO. 2025-00114

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

Louisville Gas and Electric Company (LG&E), pursuant to 807 KAR 5:001, shall file with the Commission an electronic version of the following information. The information requested is due on August 12, 2025. The Commission directs LG&E to the Commission's July 22, 2021 Order in Case No. 2020-00085[1] 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

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[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.

LG&E shall make timely amendment to any prior response if LG&E 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 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 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, 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 Commission's June 30, 2021 Order in Case No. 2020-00350[2], in which the Commission ordered LG&E to file with its next base rate case a detailed plan

[2] Case No. 2020-00350, *Electronic Application of Louisville Gas and Electric Company for an Adjustment of its Electric and Gas Rates, A Certificate of Public Convenience and Necessity to Deploy Advanced Metering Infrastructure, Approval of Certain Regulatory and Accounting Treatments, and Establishment of a One-Year Surcredit* (Ky. PSC June 30, 2021), Order at 71.

for reducing the frequency and amounts of its tariffed non-recurring charges resulting from its advanced metering infrastructure (AMI) systems.

a. Explain whether LG&E has developed a detailed plan to reduce the frequency and amounts of its tariffed non-recurring charges resulting from its AMI systems.

b. If so, explain why the plan was not included in this application and provide a copy of the plan.

c. If not, explain why not.

2. Refer to the Application, Tab 4, Electric Tariff, page 180 of 204, Pre-pay Program Terms and Conditions.

a. Confirm that if an existing customer with a deposit signs up for the Pre-Pay Program, the deposit, plus any accrued interest, will either be used to fund the customer's Pre-Pay account or will be refunded to the customer.

b. Explain whether Pre-Pay customers will be subject to any special non-recurring charges included in the tariff.

c. Provide a copy of the Pre-Pay Program Service Agreement if one has been developed.

d. List the predetermined triggers that will be set to notify customers of a low balance.

3. Refer to the Direct Testimony of Shannon L. Montgomery (Montgomery Direct Testimony), page 26, lines 19–22. Explain how the daily balance will be provided to a Prepay customer.

4. Refer to LG&E's response to Commission Staff's Second Request for Information (Staff's Second Request), Item 7.

a. When an Extremely High Load Factor (EHLF) developer signs a contract(s) with LG&E, explain what the developer is contracting for and what contractual obligations the developer is agreeing to.

b. Explain whether any of the terms of the EHLF contract(s) remains with the developer once an EHLF end use customer signs a contract with the developer. In the response, differentiate between the situations where the end use customer purchases the entire development and where the end use customer is a tenant of the EHLF developer.

c. Explain whether these EHLF developer contracts are standardized contract terms.

d. If available, provide a copy of the contract(s) that the EHLF developer will be required to sign.

5. When an EHLF developer contracts with LG&E for 600 MW or some other large amount of power, explain how LG&E accommodates the developer. For example, explain whether the Company reserves 600 MW dedicated to the developer that all else being equal, would not be used by other customers or whether the Company simply ensures that it has 600 MW available to serve the new load and that if the developer does not require 600 MW at any given time, the capacity would be available to serve other customers or for an off system sale.

6. Refer to LG&E's response to Commission Staff's First Request for Information (Staff's First Request), Item 54, Exhibit MEH-1 – PSA Rate Support,

Worksheet Combined OH. Explain the reasoning for calculating the wireless facility attachment charge based on five times the weighted pole rate.

7. Refer to LG&E's response to Staff's First Request, Item 41. Confirm that employees hired on or after January 1, 2006, receive both 100 percent of the first 3 percent of the employee's eligible compensation plus 50 percent of the next 3 percent, subject to IRS limits, and between 3 percent and 7 percent of eligible pay based upon years of service.

8. Refer to LG&E's response to Staff's First Request, Item 54, 2025 PSC DR1 KU LGE Attach to Q54 – Exhibit MEH-4 – AMI Opt-Out Support, Worksheets LG&E-E AMI Opt Out and LG&E-G AMI Opt Out. Also refer to LG&E's response to Staff's First Request in Case No. 2020-00350,[3] Item 56, 2020_Att_KU_LGE_PSC_1–56_Exhibit_WSS-19_AMI_Opt_Out_Calculation, Worksheets LG&E-E AMI Opt Out and LG&E-G AMI Opt Out. Provide a detailed explanation and support for the increases to One-Time Fee, Field Services, and One-Time and Recurring Capital Costs, Enrollment, Billing and Reporting.

9. Refer to LG&E's response to Staff's Second Request, Item 1, Attachment, Electric Tariff, page 140 of 244. Explain why LG&E's current tariff limited the availability of the One-Time Solar Capacity Charge to subscriptions on Solar Share Facilities that had not begun construction.

10. Refer to LG&E's response to Staff's Second Request, Item 1, Attachment, page 141 of 244. Explain why LG&E's current tariff limited the subscription capacity of a

[3] Case No. 2020-00350, (filed Dec. 15, 2020), LG&E's Responses to Commission Staff's Request for Information.

subscribing customer to an aggregate of 500 kW DC and no more than 250 kW DC in any single Solar Share Facility.

11. Refer to LG&E's response to Staff's Second Request, Item 1, Attachment, Electric Tariff, page 159 of 244. Explain why the actual incentive amounts were removed under from the Residential Online Audit program.

12. Refer to LG&E's response to Staff's Second Request, Item 1, Attachment, page 231 of 244. Provide a copy of LG&E's Interconnection Requirements for Customer-Sited Distributed Generation.

13. Refer to LG&E's response to Staff's Second Request, Item 8. Explain the reasonableness of LG&E being able to use a residential customer's deposit on their residential account to satisfy an obligation of a non-residential account owned by that same customer when the non-residential account is in the name of the business instead of the individual.

14. Refer to LG&E's response to Staff's Second Request, Item 10.

a. Explain what would cause LG&E to require communication during the interconnection review process between the customer's distributed generation equipment and LG&E's control systems.

b. Explain why Application Fees were added for Level 1 Interconnections.

15. Refer to LG&E's response to Staff's Second Request, Item 11(a). Explain what would cause monitoring or management to be required.

16. Refer to LG&E's response to Staff's Second Request, Item 11(b). Explain under what circumstances LG&E would require communications equipment allowing the

utility SCADA system to monitor generation and possibly remotely disconnect a DER site in the event of an emergency for larger distributed generation sites, 1 MW or larger in capacity.

17. Refer to LG&E's response to Staff's Second Request, Item 12(a). Confirm that replacement of currently installed modules with modules having slightly higher capacity due to the unavailability of identical modules would not result in the loss of NMS-1 legacy status. If not confirmed, explain why not.

18. Refer to LG&E's response to Staff's Second Request, Item 13. Explain why the conversion fee was not proposed to be revised in this case seeing as it was last revised in 2021 and recognizing that the average remaining book value of all current working non-LED fixtures has likely decreased since 2021.

19. Refer to LG&E's response to Staff's Second Request, Item 16. Explain why the Curtailable Billing Demand for customers served under the Curtailable Service Riders is calculated based off of just weekdays during the applicable time periods.

20. Refer to LG&E's response to Staff's Second Request, Item 19. Provide a detailed explanation, including estimated costs, of what modifications would need to be made to the legacy Customer Information System in order for LG&E to be able to offer the Prepay Program once this proceeding concludes.

21. Refer to LG&E's response to Staff's Second Request, Item 27. Explain why LG&E desired to remove the hourly charge from Rate EVC-L2 and replace it with the per kWh charge of the EVC-Fast tariff.

22. Refer to the Direct Testimony of Tim S. Lyons (Lyons Direct Testimony), Exhibit TSL-7, page 7. Explain the differences between the “Fully-Loaded Customer Costs” and “Basic Customer Costs.”

23. Refer to the Lyons Direct Testimony, Exhibit TSL-7, page 7. Refer also to the Full Notice, generally. Provide an explanation of the following:

a. LG&E’s request of a Rate RS basic service charge of approximately $15.82 per month[4] when the COSS supports a basic service charge of $29.44 per month.

b. LG&E’s request of a Rate GS basic service charge of approximately $38.83 per month[5] when the COSS supports a basic service charge of $38.74 per month.

c. LG&E’s request of a Rate PS-Sec basic service charge of approximately $91.55 per month[6] when the COSS supports a basic service charge of $72.17 per month.

d. LG&E’s request of a Rate PS-Pri basic service charge of approximately $254.89 per month[7] when the COSS supports a basic service charge of $183.70 per month.

e. LG&E’s request of a Rate TOD-Pri basic service charge of approximately $402.41 per month[8] when the COSS supports a basic service charge of $363.19 per month.

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[4] $15.82= ($0.52 x 365)/12.

[5] $38.83 = ($1.28 x 365)/12.

[6] $91.55= ($3.01 x 365)/12.

[7] $254.89= ($8.38 x 365)/12.

[8] 402.41= ($13.32 x 365)/12.

f. LG&E's request of a Rate RTS basic service charge of approximately $1,932.68 per month[9] when the COSS supports a basic service charge of $1,629.53 per month.

g. LG&E's request for a Rate OSL Secondary basic service charge of approximately $91.55 per month[10] when the COSS supports a customer charge of $77.88 per month.

24. Refer to the Lyons Direct Testimony, Exhibit TSL-5, page 4. Refer also to the Full Notice, page 15. Explain how the proposed Rate EVC rates will provide sufficient revenues to meet the proposed Rate of Return of 8.12 percent.

25. Refer to the Lyons Direct Testimony, TSL-5, generally. For customer classes that already have a Rate of Returns higher than the overall Rate of Return, explain why LG&E chose to increase the basic service charges for those rate classes.

26. Refer to the Direct Testimony of Charles R. Schram (Schram Direct Testimony), page 13, lines 16 through 18. Identify and explain what makes up the rest of the increase in sales between the base period and the forecasted test period.

27. Refer to the Schram Direct Testimony, page 13. Further explain the reasonableness to assume BlueOval SK (BOSK) Phase 1 is in full production in 2026 when it Phase 1 was originally expected to begin in the year 2025.

28. Refer to the Schram Testimony, generally. Identify all differences between the load forecasts submitted in this proceeding and the 2024 IRP load forecast. Additionally, explain the reasonings behind these differences.

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[9] $1,932.68= ($63.54 x 365)/12.

[10] $91.55= ($3.01 x 365)/12.

29. Refer to the Schram Testimony, page 41. Provide further explanation behind the reasonableness to move the RTO study filing to align with the triennially IRP filing.

30. Refer to LG&E's response to Staff's Second Request, Item 117. Provide cost justification for each non-recurring charge, including the calculation of the charge in Excel spreadsheet format with all formulas, rows, and columns unprotected and fully accessible.

31. Refer to the Direct Testimony of Lonnie Bellar (Bellar Direct Testimony), page 3, lines 15 through 18. Explain how LG&E quantified the efficiencies gained from harmonizing human resources operations throughout PPL and developing a common storm response protocol. Provide all calculations in Excel spreadsheet format with all formulas, rows, and columns unprotected and fully accessible.

32. Refer to Bellar Direct Testimony, page 9, lines 9 through 11. Explain why LG&E would request regulatory asset treatment for the Lewis Ridge Pumped Storage Project, should the project not go through.

33. Refer to Bellar Direct Testimony, page 11, lines 16 through 17. Describe the costs associated with each of the following generation outage projects.

a. Mill Creek 3;

b. Mill Creek 4;

c. Ghent 1;

d. Ghent 2; and

e. Ghent 3.

34. Refer to the Direct Testimony of Elizabeth McFarland (McFarland Direct Testimony), page 9, lines 10 through 13. Explain why the longer-term goal of making the combined Companies national quartile performance in transmission reliability has not yet been achieved through the Transmission System Improvement Project (TSIP).

35. Refer to McFarland Direct Testimony, Exhibit BJM-2, page 35 of 87. Confirm if there are any quantifiable benefits associated with the implementation of TSHARP. If confirmed, explain when those benefits will be seen by LG&E and Kentucky Utilities Company's (KU) (jointly, LG&E/KU) customers.

36. Refer to the Direct Testimony of Peter Waldrab (Waldrab Direct Testimony), page 20, lines 5 through 7. State the growth rate for labor rates for distribution line tech employees from 2020-2025.

37. Refer to Waldrab Direct Testimony, page 20, lines 11 through 15. Explain whether LG&E/KU have evaluated any alternative pad mount transformers with the recent cost increases.

38. Refer to the Direct Testimony of Vincent Poplaski (Poplaski Direct Testimony) at 12. Provide a breakdown of the listed criteria and percentage in terms of the descriptions below. For any criteria that are not relevant to the below descriptions, provide an explanation.

a. Financial Goals;

b. Safety Goals;

c. Customer Satisfaction Goals; and

d. Individual Goals.

39. Refer to the Poplaski Direct Testimony at 13-14. Compare the benefit structure of an employee hired before January 1, 2006, (but ineligible for the defined benefit plan) to the structure for similarly situated employees hired on or after January 1, 2006.

40. Refer to the Direct Testimony of Christopher Garrett (Garrett Direct Testimony) at 9. Provide the estimated difference between the actual storm damage restoration and vegetation management costs and the respective amounts in base rates in the forecasted period. Provide also whether a regulatory asset or liability is expected to be recorded for these amounts.

41. Refer to the Garrett Direct Testimony at 11. Provide the descriptions and depreciable lives of the underlying software/IT assets.

42. Refer to the Garrett Direct Testimony at 14. Provide support for amortizing the AMI regulatory assets over a longer period than the AMI regulatory liabilities.

43. Refer to the Direct Testimony of John Spanos (Spanos Direct Testimony), Exhibit JJS-KU-1, Intangible Plant. Explain specifically what items (particular software) are included in each of the following categories: cloud software; dms cloud software; cloud software-prepaids; and dms cloud software – prepaids.

44. Refer to Spanos Direct Testimony, Exhibit JJS-KU-1, Steam Production Plant, Structures and Improvements. Explain what investments were made to Trimble Unit 2 that resulted in the increase in original cost as well as book depreciation reserve since the 2020 study.

45. Refer to Spanos Direct Testimony, Exhibit JJS-KU-1, Steam Production Plant, Structures and Improvements. Explain what specific factors, since 2020, resulted in the increase to calculated annual accrual rate for Trimble Unit 2.

46. Refer to Spanos Direct Testimony, Exhibit JJS-KU-1, Steam Production Plant, Structures and Improvements. Explain the approximate 300 percent increase in the original cost and book depreciation reserve for System Laboratory since 2020.

47. Refer to Spanos Direct Testimony, Exhibit JJS-KU-1, Steam Production Plant, Boiler Plant Equipment.

a. Explain what facts resulted in the change in annual accrual rate and composite remaining life for the Brown Units 1-3 Scrubbers and the Ghent Unit 1 scrubber when the original book remained approximately the same.

b. Explain why the book depreciation reserve increased significantly from 2020 for the Brown Units 1-3 Scrubbers. Include in that explanation a reconciliation of that information with the accrual rate and composite remaining life as discussed in Item 47(a).

48. Refer to Spanos Direct Testimony, Exhibit JJS-KU-1, Steam Production Plant, Boiler Plant Equipment. Explain why Brown Unit 3's annual accrual rate increased from 5.81 percent in 2020[11] to 10.22 percent in this application.

49. Refer to Spanos Direct Testimony, Exhibit JJS-KU-1, Steam Plant Production, Turbogenerator Units. Explain why Brown Unit 3's original cost remained

[11] Case No. 2020-00350, (filed Nov. 25, 2020), Direct Testimony of John Spanos, Exhibit JJS-1, Depreciation Study (2020 Study).

constant from 2020[12], and the book depreciation doubled, from approximately $10.9 million to $21.5 million.

50. Refer to Spanos Direct Testimony, Exhibit JJS-KU-1, Turbogenerator Units, generally. Explain why the accrual rates for all of the units listed in the 2024 report increased, in different increments, except Brown 3 and include in the explanation why the accrual rates increased in different increments.

51. Refer to Spanos Direct Testimony, Exhibit JJS-KU-1, Other Production Plant, Land Rights. Explain with specificity why both the annual accrual rate increased as well as the composite remaining life. As part of this response, provide the current termination date for the land rights' contract listed in the account.

52. Refer to Spanos Direct Testimony, Exhibit JJS-KU-1, Other Production Plant, Structures and Improvements. Explain why both Brown Solar and Simpsonville Solar were removed from account 341.00.

53. Refer to Spanos Direct Testimony, Exhibit JJS-KU-1, Other Production Plant, Fuel Holders, Producers and Accessories.

a. Explain with specificity why Haefling Units 1-3 had an annual accrual rate increase from 4.75 in the 2020 Depreciation Study to 6.26 in the 2024 Depreciation Study.

b. Explain with specificity why Brown CT Pipeline had an annual accrual rate increase from 4.75 in the 2020 Depreciation Study to 6.26 in the 2024 Depreciation Study.

[12] 2020 Study.

54. Refer to Spanos Direct Testimony, Exhibit JJS-KU-1, Other Production Plant, Account 342.30.

a. Explain why this account is included in the 2024 Depreciation Study Summary but was not included in the 2020 Depreciation Study Summary.

b. Explain why the accrual rates for the inspections are generally so much higher than other accounts.

c. Identify and explain the aspects and assets of this account that depreciate.

55. Refer to Spanos Direct Testimony, Exhibit JJS-KU-1, Other Production Plant, Miscellaneous Power Plant Equipment. Explain why the composite remaining life increased for Cane Run CC7. Include in the explanation any projects or expenditures specific to that unit undertaken to prolong the life of the unit.

56. Refer to Spanos Direct Testimony, Exhibit JJS-KU-1, Transmission Plant, Account 352.20. Explain what assets are included in this account and why it was not included in the 2020 Depreciation Study.

57. Refer to Spanos Direct Testimony, Exhibit JJS-KU-1, Transmission Plant, Accounts 352 .10 and 352.20.

a. Explain what assets are included in each account.

b. Explain the distinction between non-system and system control.

c. Explain why the two accounts were not listed as such in the 2020 Depreciation Study.

d. Explain why the estimated service life is estimated to be 60 years for the non-system control.

e. Explain why the service life is estimated to be 30 years for the system control. Include in this explanation why there is a decrease in the estimated service life between the 2020 depreciation study and the 2024 depreciation study.

f. Provide a list of each customer service location that LG&E closed or no longer utilizes since the final Order in Case No. 2020-00350; whether that space is currently being utilized by any party for any purpose; the fair market value and a timeline for the dispensation of the property.

58. Refer to LG&E's response to Staff's Second Request, Item 41. Provide a list of the transformers as prioritized by the companies as "at risk" by risk ranking. Include in this list the allocated company name, the location of the transformer, the criteria used to place the transformer on the list in its respective position as well as the criteria generally by importance.

59. Refer to LG&E's response to Staff's Second Request, Item 56(a). The response was not responsive. Provide a list of cybersecurity programs or services provided utilized by the utility.

60. Refer to LG&E's response to Staff's Second Request, Item 56(b). Provide the report referenced for the most recent year prior to 2022. If no report, has ever been completed, please include that in the response.

61. Refer to LG&E's response to Staff's Second Report, Item 56(c). Provide the NIST Cybersecurity Framework utilized by LG&E.

62. Refer to the LG&E's response to the Attorney General's First Request for Information, Item 101(a), Attachment. Provide all seven versions of the depreciation study referenced in the emails.

63. Refer to LG&E's response to Staff's Second Request, Item 64 and Item 66.

a. Using the chart/table provided in the response to Item 64, provide approximate dates, month and year, for each milestone provided in the chart for all items.

b. Provide the in-service date for each software upgrade listed in the response to Item 64.

c. Provide the full cost of each item, using the milestones listed to delineate expenditures, including the amount contained in the forecasted test year if different than the total provided by item listed in the response to Item 64.

64. Refer to LG&E's response to Staff's Second Request, Item 81(c). Confirm that the actual response isn't storm costs were lower but that storm costs were booked as a regulatory asset. If not confirmed, explain the response.

65. Refer to Trimble 2 generally. Several responses were provided discussing the expense related to the ongoing operation of the unit. Based on the current condition of the unit, provide the expected costs of the operating and maintenance, including any of the repairs discussed, for the years 2025 through 2030 in comparison to the benefit of Trimble 2's generation production for the years 2020 to 2025 to date.

66. Refer to LG&E's response to Staff's Second Request, Item 78. Explain how the lower capitalization threshold range of $200-$500 for office furniture was reflected in rate base for the forecasted test period.

67. Refer to LG&E's response to Staff's Second Request, Item 46. Explain why in 2024, 2022, and 2020 LG&E did not reach its target miles.

68. Refer to Application, Schedule F-3.

a. Provide a breakdown of all expenditures related to employee recognition included in the base period.

b. Explain how LG&E forecasted employee recognition its test period.

69. Refer to LG&E's response to Staff's Second Request, Item 79 Attachment.

a. Provide the number of company credit cards along with the position of authorized users.

b. Provide any written policies related to the usage of company credit cards.

c. Explain what controls are in the place to ensure proper credit card use.

70. Refer to the Direct Testimony of Michael Hornung (Hornung Direct Testimony), page 4.

a. Explain whether any prospective Data Center (DC) customer(s) is aware of or has reviewed or commented on the proposed Extremely High Load Factor (EHLF) Tariff.

b. Explain the reasoning behind using an 85 percent load factor.

c. Explain why more than 100 MVA load size was chosen as the minimum load for EHLF tariff eligibility.

71. Refer to Schram Direct Testimony, pages 34-36 and the Commission's August 30, 2024 Order in Case No. 2023-00404,[13] page 21 and footnote 91. .

[13] Case No. 2023-00404, *Electronic Tariff Filings of Louisville Gas and Electric Company and Kentucky Utilities Company to Revise Purchase Rates for Small Capacity and Large Capacity Cogeneration and Power Production Qualifying Facilities and Net Metering Service-2 Credit Rates* (Ky. PSC Aug. 30, 2024), Order at 21 and footnote 91.

a. Explain why LG&E did not utilize a NGCC for capacity values and costs.

b. Provide specific evidence demonstrating that LG&E is not currently avoiding costs in light of Case No. 2022-00402.[14]

72. Refer to Staff's Second Request, Item 33. Explain how the companies determined the allocation of costs between LG&E and KU for the Lewis Ridge Pumped Storage Project.

73. Refer to the Direct Testimony of Andrea M. Fackler (Fackler Direct Testimony), pages 35-36. Explain if the parties who were included in the Stipulation Agreement in LG&E's 2020 rate case, Case No. 2020-00350, were notified of the proposed changes and revisions.

74. Refer to Case No. 2020-00350, Stipulation Testimony, Exhibit KWB-1, Section 6.14 on page 18. Explain why the amendments to the tariff do not violate this provision of the Stipulation Agreement since the Retirement Asset Recovery Rider (Rider RAR) was tendered as Stipulation Exhibit 8 and Stipulation Exhibit 9.

75. Refer to the Hornung Direct Testimony, page 28, lines 2–11. Explain whether there will be any additional cost to Firm Commercial Gas Service or Firm Industrial Gas Service customers related to an inspection of a customer's gas-fired generator installation.

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[14] Case No. 2022-00402, *Electronic Joint Application of Kentucky Utilities Company and Louisville Gas & Electric Company for Certificates of Public Convenience and Necessity and Site Compatibility Certificates and Approval of a Demand Side Management Plan and Approval of Fossil Fuel-Fired Generating Unit Retirements.*

76. Refer to the Hornung Testimony, page 28, lines 12–22. Explain why the current provision in the Standard Facilities Contribution Rider (Rider SFC) that adds 100 basis points to the five-year Treasury constant maturity rate does not adequately account for the customer credit risk LG&E bears under the terms of Rider SFC.

77. Refer to the Direct Testimony of Tom C. Rieth, page 17, lines 11–22, pertaining to revisions to the Firm Transportation Service Tariff (Rate FT). Explain the circumstances that would cause LG&E to decide to install remote flow equipment to control and limit the amount of gas taken by a Rate FT customer from LG&E.

78. Refer to the Rieth Direct Testimony, page 6, "Public Works capital, $millions" table. State the number of public works projects that LG&E conducted for each year from 2020-2025.

79. Refer to the Application, Tab 5, Gas Tariff, page 85 of 148.

a. Explain whether the current calculation of the Gas Line Tracker (GLT) revenue requirement based on the overall rate of return on capital authorized in the Company's latest base gas rate case has caused LG&E to under- or over-recover its GLT revenue requirement through the operation of the mechanism. If not, explain why LG&E is proposing the change to reflect changes in short- and long-term debt.

b. Provide the annual dollar impact the proposed change to the weighted average cost of capital calculation would have had on LG&E's cost recovery through the GLT over the last five years.

c. Explain whether the GLT Program Factors' current methodology of allocating program cost to customers in proportion to their relative base revenue share approved in the Company's most recent general rate case has caused LG&E to under-or over-recover its GLT revenue requirement through the operation of the mechanism. If not, explain why LG&E is proposing the change to allocate cost in proportion to their customers' relative base revenue share as reflected in the Company's most recent load forecast.

d. Provide the annual dollar impact the proposed change in cost allocation methodology would have had on LG&E's cost recovery through the GLT over the last five years.

e. The Application on page 14 references the proposed changes to the GLT mechanism, including the removal of unbilled revenues from the calculation of the GLT's over- or under-recovery position to "eliminate the estimation that comes with unbilled accruals and create consistency with LG&E's other cost-recovery mechanisms." Provide the annual dollar impact the proposed change to the under/over-recovery calculation would have had on LG&E's cost recovery through the GLT over the last five years.

80. Refer to the Application, Tab 5, Gas Tariff, page 87 of 148.

a. A text change is made to expand the definition of Gas Supply Cost by adding the phrase "but not limited to" to the elements that are eligible for inclusion in Expected purchased gas cost. Explain whether the addition of this phrase could enable LG&E in the future to include costs that are not specifically enumerated in the proposed list of gas supply costs that can be recovered through expected purchased gas cost.

b. A further text change adds compressed natural gas and its dispatch and delivery to the list of recoverable gas cost. Explain whether LG&E currently includes compressed natural gas in the calculation of Expected purchased gas costs.

81. Refer to the Application, Tab 5, Gas Tariff, page 98 of 148. Explain how the deletion of the annual evaluation report on the results of the Performance Based Rate (PBR) Mechanism will impact the Commission’s ability to review final recoveries through the PBR mechanism, and if that review will occur only in the Gas Supply Clause mechanism.

82. Refer to the Application, Tab 5, Gas Tariff, page 119 of 148. Also refer to LG&E’s response to Staff’s Second Request, Item 24, proposed new tariff language regarding incidental or occasional services states: “Upon Customer’s request, Company may perform incidental or occasional utility-related services not addressed by other tariff provisions. If Company agrees to perform such Customer-requested services, Company will bill Customer for reimbursement of Company’s costs, including without limitation costs of materials and labor required to perform such services.” The response states that LG&E recovers its actual cost of providing such services. State whether LG&E has provided cost support for all charges made to customers for these services. If all incidental services are already reflected in LG&E’s tariffed charges, explain why this tariff addition is necessary.

83. Refer to the Application, Tab 5, Gas Tariff, page 124 of 148, as well as to the Montgomery Direct Testimony and to LG&E’s response to Staff’s Second Request, Item 18. With regard to the new language addition of paperless billing being the default for the bills of customers with emails on file, confirm that page 10 of the Montgomery Testimony estimates 45 percent of customers will receive paperless bills, and that the response indicates that 42 percent of new and still active customers since 2023 are enrolled in paperless billing. Explain why it is reasonable to establish paperless billing as

the default unless the customer opts out, as opposed to continuing to allow customers to opt in to paperless billing from paper bills, given the relatively small increase expected in participating customers.

84. Refer to the Application, Tab 5, Gas Tariff, page 137 of 148. Explain why LG&E is proposing to reduce the number of days' notice of discontinuance of service from 15 days to 10 days when a customer or applicant refuses or neglects to provide reasonable access and/or easements to premises.

85. Refer to the Application, Tab 5, Gas Tariff, page 138 of 148. Regarding condition number 8 relating to discontinuance due to non-payment of bills, explain whether LG&E currently mails to paperless billing customers a hard copy of the notice that is in addition to the original bill.

86. Refer to the Reith Direct Testimony, page 7. The table shows $387 million in capital on gas-related projects from January 1, 2022, to June 30, 2026. State how much of the $387 million is included in the current case for rate recovery and indicate the specific location in the record of the cost support for each project, or whether the projects are included in the GLT for recovery.

87. Refer to the Reith Direct Testimony, page 9.

a. Provide a comparison of the annual percentage of gas losses experienced by the Doe Run storage field with the annual losses of LG&E's other storage fields for the last five years.

b. The Testimony states that retiring the storage field, as compared to continuing to operate it with minimal capital improvements, saves over $41 million by 2072. State whether this savings is net of any lost gas cost savings that might have been achieved through storage in this field, and if it reflects the cost of replacing winter season storage deliveries from the field with firm winter season gas supply and interstate pipeline transportation service.

88. Refer to the Reith Direct Testimony, page 14.

a. Confirm that LG&E currently recovers leak detection cost through base rates, and state whether LG&E proposes to shift all leak detection to the GLT or only those costs related to the proposed LDAR Rule.

b. If all leak detention costs are proposed to be recovered through the GLT, provide the amount of both current leak detection and incremental LDAR-related cost proposed for GLT recovery or indicate the location in the record of this information.

c. Explain why it is reasonable to give increased leak detection requirements the same eligibility for recovery through the GLT mechanism as the previous replacement of aging and unsafe pipeline.

89. Refer to the Reith Direct Testimony, page 14. Provide the amount of cost recovery included in the current case for the Pipeline Safety Management System, and state the estimated cost of the system as recommended by NASB when it is 100 percent complete.

90. Refer to the Fackler Direct Testimony, page 40. Provide the impact on proposed base rates if the Commission denies the new LDAR Rule requirements for recovery through the GLT.

91. Provide or indicate the location in the record of the impact of weather normalization on LG&E's normalized gas revenues, and state whether any adjustment to

normalized revenue due to temperature was calculated using the methodology contained in the Lyons Direct Testimony Exhibit TSL-9 beginning on page 150.

92. Provide a comparison of the percentage of revenue responsibility allocated to each customer class at present and proposed rates or indicate the location of that information in the record. The information should be in sufficient detail to show the percentage of revenue collected through each fixed and volumetric rate of each class and should be provided in Excel spreadsheet format with all formulas, rows, and columns unprotected and fully accessible.

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DATED JUL 30 2025

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