

COMMONWEALTH OF KENTUCKY
BEFORE THE PUBLIC SERVICE COMMISSION

In the Matter of:

AN EXAMINATION OF THE APPLICATION OF)	
THE FUEL ADJUSTMENT CLAUSE OF)	CASE NO.
KENTUCKY UTILITIES COMPANY FROM)	2015-00234
NOVEMBER 1, 2014 THROUGH APRIL 30, 2015)	

ORDER

Pursuant to 807 KAR 5:056, the Commission established this case on August 14, 2015, to review and evaluate the operation of the Fuel Adjustment Clause ("FAC") of Kentucky Utilities Company ("KU") for the six-month period that ended on April 30, 2015. As part of this review, KU submitted certain information, pursuant to Commission Order, concerning its compliance with 807 KAR 5:056. The Commission held a public hearing on this matter on October 7, 2015. On October 21, 2015, KU filed its response to requests made at the hearing.

On October 2, 2015, KU filed its notice of publication of the October 7, 2015 hearing. Accompanying that notice was a motion to deviate from the notice of publication requirements set forth in the Commission's August 14, 2015 Order, which states: "[n]ot less than seven days and no more than 21 days prior to the scheduled hearing, KU shall publish in a newspaper of general circulation in each area in which it serves notice of the purpose, time, place, and date of the scheduled hearing." KU states that it contacted the Kentucky Press Association on August 27, 2015, to arrange for a Notice of Public Hearing to be published in 92 newspapers in KU's service areas during the time period from September 17, 2015, to September 30, 2015. KU states that

notwithstanding its efforts, the *Bardwell Carlisle County News*, a small weekly newspaper that publishes on Thursdays with a circulation of 1,024 in Carlisle County, failed to publish the notice as requested, but it did timely run in the *Bardwell Carlisle Weekly*, which also serves Carlisle County and has a circulation of 940. KU states that the notice also did not run as requested in the *Hickman Courier*, a small weekly newspaper that publishes on Thursdays with a circulation of 835 in Fulton County, but it did timely run in the *Fulton Leader*, which also serves Fulton County and has a circulation of 1,079.

KU requests a deviation from the Commission's Notice of Public Hearing requirements with respect to the limited instances of non-conformity cited above, in view of the timely published notice KU has provided throughout the vast majority of the newspapers in its territory – including the two newspapers of largest circulation in the Commonwealth, the *Lexington Herald-Leader* and the *Louisville Courier-Journal*, and the efforts made by KU to ensure that timely notice was received.

The Commission has previously established KU's base fuel cost as 28.92 mills per kWh.¹ A review of KU's monthly FAC filings shows that the fuel cost billed for the six-month period under review ranged from a low of 28.13 mills in March 2015 to a high of 30.11 mills in December 2014, with a six-month average of 28.98 mills.

The Commission, having considered the evidence of record and being otherwise sufficiently advised, finds no evidence of improper calculation or application of KU's FAC charges or improper fuel procurement practices. The Commission also finds that KU substantially complied with the Commission's notice requirements and has ensured


¹ Case No. 2012-00552, *An Examination of the Application of the Fuel Adjustment Clause of Kentucky Utilities Company from November 1, 2010 through October 31, 2012* (Ky. PSC May 17, 2013).

that the public had sufficient notice of the proceeding and a meaningful opportunity to participate. Therefore, we find good cause and will grant KU's motion for a deviation from the notice requirements.

IT IS THEREFORE ORDERED that:

1. The charges and credits billed by KU through its FAC for the period November 1, 2014, through April 30, 2015, are approved.
2. KU's motion to deviate from the requirements of 807 KAR 5:001, Section 9(2)(b)(2), is granted.

By the Commission

ENTERED 
DEC 04 2015
KENTUCKY PUBLIC SERVICE COMMISSION

ATTEST:



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