COMMONWEALTH OF KENTUCKY BEFORE THE PUBLIC SERVICE COMMISSION

In the Matter of:

| ELECTRONIC APPLICATION OF LOUISVILLE |) | |
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| GAS AND ELECTRIC COMPANY FOR AN |) | CASE NO. |
| ADJUSTMENT OF ITS ELECTRIC AND GAS |) | 2018-00295 |
| RATES |) | |

ORDER

The matter is before the Commission upon a letter request submitted by Louisville Gas and Electric Company (LG&E) seeking a deferral of the company's submission of its next RTO Membership Analysis and to submit such analysis in its 2021 Integrated Resource Plan (IRP) filing. In the April 30, 2019 Order (Final Order) in this matter, LG&E was directed to update its RTO Membership Analysis annually and to submit such updates to the Commission as part of its annual report, which is due by March 31 of each year. According to the schedule set in Case No. 2018-00348,1 which involved LG&E's most recent IRP filing, LG&E will file its next IRP no later than October 19, 2021. Also, in Case No. 2018-00348, Commission Staff recommended that, in the next IRP, LG&E should provide updated comprehensive and detailed cost-benefit studies comparing the full costs of joining PJM Interconnection, LLC or Midcontinent Independent System Operator, Inc. and all potential benefits such as increased revenues, lower reserve margin requirements. improved reliability operating and versus under its existing construct. LG&E now requests to modify the schedule for the RTO Membership Analysis

¹ Case No. 2018-00348, Electronic 2018 Joint Integrated Resource Plan of Louisville Gas and Electric Company and Kentucky Utilities Company (Ky. PSC Oct. 2, 2020).

to defer the March 31, 2021 filing to be concurrent with the 2021 IRP filing and to reduce the frequency of the reports from annually to approximately every three years, concurrent with the IRP filing. LG&E asserts that filing the RTO Membership Analysis annually and with its IRP is an inefficient use of resources that serves no public purpose. LG&E further asserts that an outdated analysis should not be part of the IRP filing, such that removing the requirement to file an updated analysis with the IRP in favor of annual filings would be counterproductive.

Having reviewed the request and being otherwise sufficiently advised, the Commission finds that LG&E has established good cause to permit a revision as to when LG&E should file its RTO Membership Analysis. Rather than filing such analysis annually as part of its annual report and in conjunction with its IRP filings, the Commission finds that LG&E should file the analysis annually by March 31 in the post-case correspondence file of its most recent, or current, rate case. However, in the year in which LG&E is required to file an IRP, LG&E should file the analysis in conjunction with its IRP. The Commission further finds that LG&E should also submit its most recent RTO Membership Analysis with each future rate case until directed otherwise.

IT IS HEREBY ORDERED that:

1. LG&E's request for a deferral of the company's submission of its next RTO Membership Analysis and to submit such analysis in its 2021 IRP is granted to the extent that LG&E shall file the analysis annually by March 31 in the post-case correspondence file of its most recent, or current, rate case. However, in the year in which LG&E is required to file an IRP, LG&E shall file the analysis in conjunction with its IRP.

| | 2. | LG&E shall also file its most recent RTO Membership Analysis with each | |
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| future rate case until directed otherwise. | | | |
| | 3. | All other provisions of the Final Order remains in full force and effect. | |
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By the Commission

FEB 18 2021
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KENTUCKY PUBLIC
SERVICE COMMISSION

ATTEST:

Executive Director

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