#### COMMONWEALTH OF KENTUCKY

#### BEFORE THE PUBLIC SERVICE COMMISSION

In the Matter of:

ELECTRONIC APPLICATION OF KENTUCKY UTILITIES COMPANY FOR AN ADJUSTMENT OF ITS ELECTRIC 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

CASE NO. 2020-00349

### COMMISSION STAFF'S FOURTH REQUEST FOR INFORMATION TO KENTUCKY UTILITIES COMPANY

Kentucky Utilities Company (KU), 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 March 12, 2021. The Commission directs KU to the Commission's March 16, 2020 and March 24, 2020 Orders in Case No. 2020-00085<sup>1</sup> 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.

<sup>&</sup>lt;sup>1</sup> 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.

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 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.

KU shall make timely amendment to any prior response if KU obtains information that indicates the response was incorrect when made or, though correct when made, is now incorrect in any material respect. For any request to which KU fails or refuses to furnish all or part of the requested information, KU hall 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, KU shall, in accordance with 807 KAR 5:001, Section 4(10), encrypt or redact the paper so that personal information cannot be read.

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1. Refer to the Application, Tab 4, P.S.C. No. 20, Original Sheet No. 108 through Original Sheet No. 108.5, Net Metering Service Interconnection Guidelines. Explain the reasons for the additions to and deletions from the Net Metering Service Interconnection Guidelines.

2. Refer to the Application, Tab 4, P.S.C. No. 20, Original Sheet No. 108, Net Metering Service Interconnection Guidelines, Terms and Conditions number 3. Explain why KU's Interconnection Requirements for Customer-Sited Distributed Generation are only available online and upon request and are not included in KU's tariffs or filed with the Commission in some other manner.

3. Refer to the questions propounded by Strategen Consulting, LLC, which are attached as an Appendix to this information request, and provide responses to those questions.<sup>2</sup>

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

DATED FEB 26 2021

cc: Parties of Record

<sup>&</sup>lt;sup>2</sup> Note that the questions propounded by Strategen Consulting, LLC, in the instant case are the same questions that are propounded in 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 Deployment Advanced Metering Infrastructure, Approval of Certain Regulatory and Accounting Treatments, and Establishment of a One-Year Surcredit (Application filed Nov. 25, 2020).* 

# APPENDIX

## APPENDIX TO A REQUEST FOR INFORMATION OF THE KENTUCKY PUBLIC SERVICE COMMISSION IN CASE NO. 2020-00349 DATED FEB 26 2021

# TWO PAGES TO FOLLOW

#### Strategen's Discovery to KU/LG&E

- 1. Reference Seelye Direct. Provide all associated schedules, exhibits, and workpapers in live, unlocked Excel spreadsheets with all links and formula intact.
- 2. Reference Seelye Direct, page 44, lines 1-2. Provide the nameplate capacity and the generation technology (e.g., PV, hydro, etc.) of each facility currently taking service under rider SQF, distinguishing between facilities that are cogen vs "small production" QFs.
- 3. Reference Seelye Direct, page 43, lines 8-12. Explain if customer-generators will need any new or different metering infrastructure under the proposed NMS-2 schedule? If alternative metering is required, explain the functionality that the Company is proposing (e.g., how many TOU periods will the meter be capable of accommodating).
- 4. Reference Seelye Direct, page 44, lines 10-15.
  - a. Is Mr. Seelye familiar with PJM's effective load carrying capability (ELCC) construct<sup>1</sup>?
  - b. Explain how the ELCC methodology is consistent with the conclusion drawn in the referenced testimony.
- 5. Reference Seelye Direct, page 44, line 19 to page 45, line 2. Explain whether the Companies intend to update NMS 2 rates every two years, when rider SQF avoided costs are updated every two years.
- 6. Reference Seelye Direct, page 47, lines 16-17. Do the Companies have a plan for gathering load data for distributed generation customers? If so, provide the Companies plan.
- 7. Reference Seelye Direct, page 54, Graph 3. Provide all associated workpapers. Provide your response in a live, unlocked Excel spreadsheet with all links and formula intact.
- 8. Reference Seelye Direct, page 54. Provide all residential net metering customer load profiles for the Companies for the most recent 5 years. Provide your response in a live, unlocked Excel spreadsheet with all links and formula intact.
- 9. Reference Seelye Direct. Provide the actual residential load profile (8760 hours) for each of the last 5 years available. Provide your response in a live, unlocked Excel spreadsheet with all links and formula intact.
- Reference Seelye Direct. Provide the actual system load profile (8760 hours) for each of the last 5 years available. Provide your response in a live, unlocked Excel spreadsheet with all links and formula intact.
- 11. Reference Seelye Direct. Provide the most recent 10-year load forecast at the total system level and disaggregated by customer class for the Joint Companies. Provide your response in a live, unlocked Excel spreadsheet with all links and formula intact.
- 12. Reference Seelye Direct, page 56, Graph 4. Provide all associated workpapers. Provide your response in a live, unlocked Excel spreadsheet with all links and formula intact.
- 13. Reference Seelye Direct, page 56, stating, "The distributed generation facilities do not appear to result in any fixed cost savings to the customers." Please provide the definition of "fixed costs" and the time period considered. Include in your response, but do not limit it to, the generation, transmission, and distribution related FERC accounts, or classified costs in the Company's cost study, considered as fixed costs. Additionally, identify and define "fixed costs" as they related to the PJM market.

<sup>&</sup>lt;sup>1</sup> See e.g., <u>https://www.pjm.com/directory/etariff/FercDockets/5832/20201030-er21-278-000.pdf</u>

- 14. Reference Seelye Direct, pages 46-64. Witness Seelye's analysis relies heavily on examples of the grid services provided by individual solar and solar plus storage systems. Does the aggregation of multiple solar or solar plus storage facilities change the grid services that can be provided to the grid? Provide references to support your answer. Include in your response, but do not limit it to, a discussion of how wholesale markets and utility planning processes are evolving to integrate high penetrations of distributed energy resources throughout the United States (or other countries such as the United Kingdom and Australia).
- 15. Reference Seelye Direct, page 53 stating, "Over the past decade, a small but growing number of utilities have implemented demand rates for all their residential customers ... ." Please provide each and every utility referenced and the final order approving the demand rate for all residential customers. Please indicate whether each tariff is a default, mandatory, or optional residential tariff.
- 16. Reference Seelye Direct, pages 61-62. Provide the average resident's kW requirement annually and during the peak winter and summer months. Explain the method used to calculate the average, and provide associated workpapers in a live, unlocked Excel spreadsheet with all links and formula intact.
- 17. Reference Seelye Direct, pages 61-62. Provide the nameplate capacity of all residential PV systems currently operational on the Companies' systems.
- 18. Reference Seelye Direct, pages 61-62. Provide the nameplate capacity of all residential energy storage systems currently operational on the Companies' systems.
- 19. Reference Seelye Direct, page 63, stating "With a two-part rate design, consisting of only a customer charge and an energy charge, there is no economic benefit for installing battery storage. With a two-part rate, the only benefit for adding battery storage is increased reliability." Confirm that an underlying assumption of this statement is that the volumetric portion of the two-part tariff does not vary based on time of day.
- 20. Reference Seelye Direct, pages 64-76. Please explain how the Companies can collect all demand related costs through the referenced EV tariffs without the use of a demand charge.
- 21. Reference Seelye Direct, pages 64-76. Under the Companies EV rate proposals could EV's charge during summer and winter system peaks?
- 22. Reference Seelye Direct. Please explain, in detail, how the Companies incur transmission charges (e.g., what load characteristics are the Companies transmission charges based on monthly coincident or another characteristic?).
- 23. Reference Seelye Direct. Does the Companies' proposed Net Metering Service-2 tariff prohibit the use of behind the meter energy storage?

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