## COMMONWEALTH OF KENTUCKY

## BEFORE THE PUBLIC SERVICE COMMISSION

## In the Matters 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 ) ) )
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	) ) ) ) ) CASE NO. ) 2020-00350 ) )

## COMMISSION STAFF'S FIRST REQUEST FOR INFORMATION TO MOUNTAIN ASSOCIATION, KENTUCKIANS FOR THE COMMONWEALTH, KENTUCKY SOLAR ENERGY SOCIETY, AND METROPOLITAN HOUSING COALITION

Mountain Association, Kentuckians for the Commonwealth, Kentucky Solar Energy Society, and Metropolitan Housing Coalition (collectively, Joint Intervenors), 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 April 1, 2021. The Commission directs the Joint Intervenors 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.

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.

The Joint Intervenors shall make timely amendment to any prior response if the Joint Intervenors obtain 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 the Joint Intervenors fail or refuse to furnish all or part of the requested information, the Joint Intervenors shall 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 these proceedings in the requested format, reference may be made to the specific location of that information in

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<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.

responding to this request. When filing a paper containing personal information, the Joint Intervenors 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 Cathy Kuhn,<sup>2</sup> page 8, regarding the statement that "it can be argued that low- and fixed-income [electric] customers generally use less energy . . . ." Provide support for this statement for electric customers in general and for electric customers of Louisville Gas and Electric Company (LG&E) specifically.

2. Refer to the Direct Testimony of James Owen (Owen Testimony), page 37, lines 5–8. Provide all supporting studies and quantifications that the proposed increase to the basic service charge will have a detrimental impact on low-income customers, low usage customers, customers employing distributed energy resources on side, and energy efficiency goals.

3. Refer to the Direct Testimony of James Owen, page 39, lines 6–9.

a. Regarding the assertion that low-income customers "tend to consume less energy" as compared to high-income customers. Provide support for this statement for electric customers in general and for electric customers of LG&E and Kentucky Utilities Company (KU), specifically.

b. Provide all supporting studies that low-income customers are more likely to reside in multi-family apartments, specifically in KU's and LG&E's service territories.

4. Refer to the Owen Testimony, page 52, lines 1–16. Mr. Owen refers to the Targeted Energy Efficiency (TEE) Program.

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<sup>&</sup>lt;sup>2</sup> The Kuhn Testimony was filed in Case No. 2020-00350 only.

a. Confirm that KU and LG&E do not offer the TEE Program.

b. Refer to the chart at the top of page 43. Provide which program

offering the proposed PAYS program would be best suited.

5. Refer to the Owen Testimony, page 62, lines 7–9. Mr. Owen notes that he

takes issue with the proposal to record the difference between AFUDC accrued at the

weight average cost of capital. Provide Mr. Owen's opinion on recording the difference

at the long-term debt rate.

6. Refer to the Owen Testimony, page 63, lines 6–8. Provide examples of

what types of programs and rates that KU and LG&E should develop that will provide

benefits to both companies' customers.

7. Refer to the Direct Testimony of Karl R. Rabago (Rabago Testimony), page

16, line 21, and page 17, lines 1-3. Provide studies or research supporting the

generalization that the proposed NMS-2 tariff or similarly designed tariffs will drive

customers towards smaller system investment.

8. Refer to the Rabago Testimony, page 17, lines 13–20, and page 18, lines

1–8, regarding a cost of service study (COSS).

a. There are several NARUC approved approaches to a COSS,

including but not limited to the 6-CP, 12-CP, BIP, and Peak and Excess. If Mr. Rabago

were to do a COSS, explain what NARUC approved approach he would use and why.

b. Explain if the estimated cost to serve net metering customers could

change based upon the COSS approach.

9. Refer to Mr. Rabago's suggestion that the Commission require the utilities

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to engage in benefit-cost analysis.

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- a. Explain whether Mr. Rabago conducted any of these studies for the instant case.
  - b. If not, explain why none of these studies were conducted.
- c. Explain whether the data necessary to conduct any of these studies available.
- d. Explain how one or more of the above listed analysis would quantify reliability.

Linda C. Bridwell, PE Executive Director

**Public Service Commission** 

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