COMMONWEALTH OF KENTUCKY

BEFORE THE PUBLIC SERVICE COMMISSION

In the Matter of:

THE REQUEST OF LOUISVILLE GAS AND ELECTRIC COMPANY AND KENTUCKY UTILITIES COMPANY TO DEVIATE FROM A COMMISSION ORDER

CASE NO. 2016-00359

ORDER

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By letter of October 30, 2015, Louisville Gas and Electric Company ("LG&E") and Kentucky Utilities Company ("KU") (collectively "the Companies") submitted their fifth annual DSM Comparison report required by ordering paragraph No. 3 of the Commission's September 30, 2010 Order in Case No. 2010-00204 authorizing the transfer of ownership of LG&E and KU via the acquisition of E. ON US by PPL Corporation ("PPL").¹ The Companies also requested the Commission grant relief from that reporting requirement.

In ordering paragraph No. 3, the Commission required PPL, LG&E and KU to file an annual report describing and summarizing the effectiveness of all demand-side management ("DSM") programs which PPL entities have implemented in other jurisdictions that differ from the programs offered to Kentucky customers by LG&E and KU.

Since the September 30, 2010 Order, in addition to the DSM Comparison reports, the Companies have filed two DSM and energy-efficiency ("EE") applications,

¹ 2010-00204, Joint Application of PPL Corporation, E.ON AG, E.ON US Investments Corp., E.ON U.S. LLC, Louisville Gas and Electric Company and Kentucky Utilities Company for Approval of an Acquisition of Ownership and Control of Utilities, (Ky. PSC Sept. 30, 2010).

Case No. 2011-00134² and Case No. 2014-00003,³ reviewing their existing DSM/EE portfolio for both residential and commercial sector programs. Also, the Companies have filed two potential studies in the last three years. Both studies were prepared by the Cadmus Group, Inc. The first study, filed December 6, 2016, was a study of the EE potential of the residential and commercial sector. The study was as ordered in Case No. 2011-00375.⁴ The second study focused on the DSM/EE potential of the industrial sector. This study was prepared as a result of the Order in Case No. 2014-00003.⁵

Given the actions cited above, the Commission finds good cause to grant KU's and LG&E's request to grant them relief from the DSM reporting requirements of the 2010 Order. However, in their next DSM application, LG&E and KU should discuss any PPL DSM offerings not available to LGE/KU customers, with a description of the offerings and an explanation for why they should not be offered in Kentucky.

² 2011-00134, Joint Application of Louisville Gas and Electric Company and Kentucky Utilities Company for Review, Modification, and Continuation of Existing, and Addition of New Demand-Side Management and Energy-Efficiency Programs, (Ky. PSC Nov. 9, 2011).

³ Case No. 2014-00003, Joint Application of Louisville Gas and Electric Company and Kentucky Utilities Company for Review, Modification, and Continuation of Existing, and Addition of New Demand-Side Management and Energy-Efficiency Programs, (Ky. PSC Nov. 14, 2014).

⁴ Case No. 2011-00375, Joint Application of Louisville Gas and Electric Company and Kentucky Utilities Company for a Certificate of Public Convenience and Necessity and Site Compatibility Certificate for the Construction of a Combined Cycle Combustion Turbine at the Cane Run Generating Station and the Purchase of Existing Simple Cycle Combustion Turbine Facilities from Bluegrass Generation Company, LLC in LaGrange, Kentucky, (Ky. PSC May 3, 2012).

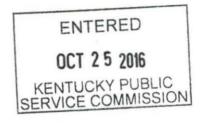
⁵ Case No. 2014-00003, Louisville Gas and Electric Company and Kentucky Utilities Company (Ky. PSC Nov. 14, 2014).

IT IS THEREFORE ORDERED that:

1. PPL, LG&E, and KU are relieved of the filing requirement set forth In ordering paragraph No. 3 of the Commission's September 30, 2010 Order in Case No. 2011-00134.

2. In their next DSM application, LG&E and KU shall discuss any PPL DSM offerings not available to LGE/KU customers with a description of the offerings and an explanation for why they should not be offered in Kentucky.

By the Commission



ATTEST:

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Executive Director

Case No. 2016-00359

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