Matthew G. Bevin Governor

Charles G. Snavely Secretary Energy and Environment Cabinet



Commonwealth of Kentucky Public Service Commission 211 Sower Blvd. P.O. Box 615 Frankfort, Kentucky 40602-0615 Telephone: (502) 564-3940 Fax: (502) 564-3460 psc.ky.gov Michael J. Schmitt Chairman

> Robert Cicero Vice Chairman

June 19, 2017

PARTIES OF RECORD

RE: Informal Conference for Case Nos. 2017-00003 and 2017-00004

Enclosed is a memorandum that has been filed in the record of the abovereferenced case. Any comments regarding the content of this memorandum should be submitted to the Commission within seven days of receipt of this letter. Questions regarding this memorandum should be directed to Matthew Baer at (502) 782-2656.

Sincerely,

Talina R. Mathews Executive Director

Enclosure

KentuckyUnbridledSpirit.com



An Equal Opportunity Employer M/F/D

INTRA-AGENCY MEMORANDUM

KENTUCKY PUBLIC SERVICE COMMISSION

TO: Case File

FROM: Matthew Baer, Financial Analysis

DATE: June 19, 2017

RE: Case No. 2017-00003 Electronic Examination of the Application of the Fuel Adjustment Clause of Kentucky Utilities Company from November 1, 2014 through October 31, 2016

> Case No. 2017-00004 Electronic Examination of the Application of the Fuel Adjustment Clause of Louisville Gas & Electric Company from November 1, 2014 through October 31, 2016

On June 15, 2017, Commission Staff ("Staff") held a telephonic informal conference ("IC") with Kentucky Utilities Company ("KU") and Louisville Gas & Electric Company ("LG&E") (collectively the "Companies"). Staff's notice of the IC was issued on June 14, 2017. At the hearing in these matters, the Companies requested that if the Commission were to approve the requested changes in their base fuel rates, the proposed rates should be effective with service rendered, rather than with bills rendered. Commission Staff requested the IC to discuss the wording that would be needed in the final orders in these proceedings that would account for the lag between the expense month and the billing month that is inherent in the Companies' Fuel Adjustment Clause ("FAC"). The Companies suggested that if new base rates were effective August 1, 2017, for example, the order should state that the new base fuel rate should be used in the calculation of the FAC beginning with the expense month of August 2017.

There being nothing further to discuss, the meeting was adjourned.

Attachment: Sign-In Sheet

COMMONWEALTH OF KENTUCKY

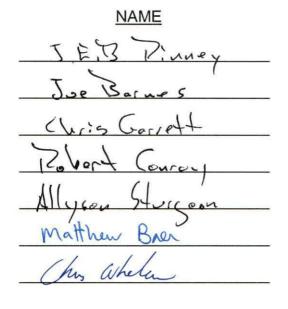
BEFORE THE PUBLIC SERVICE COMMISSION

In the Matter of:

AN EXAMINATION OF THE APPLICATION) OF THE FUEL ADJUSTMENT CLAUSE OF) KENTUCKY UTILITIES COMPANY FROM) NOVEMBER 1, 2014 THROUGH OCTOBER) 31, 2016)

CASE NO. 2017-00003

SIGN IN SHEET FOR JUNE 15, 2017 TELEPHONIC INFORMAL



CONFERENCE

<u>PARTY</u> PSC-OGC LGIE phon - On 4 - on phone 11 11 hone = oy phone 11 PSC - FA PSC- FA

COMMONWEALTH OF KENTUCKY

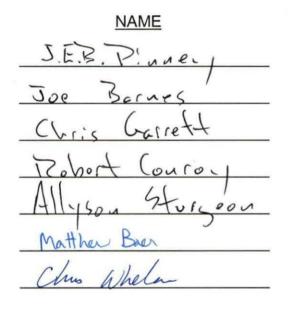
BEFORE THE PUBLIC SERVICE COMMISSION

In the Matter of:

AN EXAMINATION OF THE APPLICATION) OF THE FUEL ADJUSTMENT CLAUSE OF) LOUISVILLE GAS & ELECTRIC COMPANY) FROM NOVEMBER 1, 2014 THROUGH) OCTOBER 31, 2016)

CASE NO. 2017-00004

SIGN IN SHEET FOR JUNE 15, 2017 TELEPHONIC INFORMAL



CONFERENCE

PARTY 125C - OG-C KU LUE ou? Du 2 rr PSC - FA PSC-FA

*Honorable Allyson K Sturgeon Senior Corporate Attorney LG&E and KU Energy LLC 220 West Main Street Louisville, KENTUCKY 40202

*Rick E Lovekamp Manager - Regulatory Affairs LG&E and KU Energy LLC 220 West Main Street Louisville, KENTUCKY 40202

*Robert Conroy LG&E and KU Energy LLC 220 West Main Street Louisville, KENTUCKY 40202

*Louisville Gas and Electric Company 220 W. Main Street P. O. Box 32010 Louisville, KY 40232-2010