

COMMONWEALTH OF KENTUCKY  
BEFORE THE PUBLIC SERVICE COMMISSION

In the Matter of:

JOINT APPLICATION OF KENTUCKY UTILITIES	)	
COMPANY AND LOUISVILLE GAS AND ELECTRIC	)	
COMPANY FOR A DECLARATORY ORDER	)	CASE NO.
ESTABLISHING THE FORM OF NOTICE AND	)	2018-00250
NUMBER OF COPIES OF CERTAIN DOCUMENTS	)	
FILED IN SUPPORT OF UPCOMING	)	
APPLICATIONS FOR RATE ADJUSTMENTS	)	

ORDER

The matter is before the Commission upon an application filed by Kentucky Utilities Company (KU) and Louisville Gas and Electric Company (LG&E) requesting approval to provide an abbreviated newspaper notice of their upcoming applications for rate adjustment and to permit the filing of only one copy of certain documents required by 807 KAR 5:001, Section 16, in paper medium. KU and LG&E (jointly "KU/LG&E") also requests to be relieved of the requirement to file a physical copy of any Excel document on portable electronic storage media. KU/LG&E state that the application is made, in part, in an effort to reduce the costs associated with the filing of the upcoming rate applications and ultimately reduce the level of any rate adjustment for their customers.

With respect to the method of notice of publication, KU/LG&E proposed to publish an abbreviated form of notice containing complete content for the residential rate changes and other information required by the Commission's rules, but not the complete required

content for the other changes in the rate schedules.<sup>1</sup> KU/LG&E state that the abbreviated notice would identify each rate schedule that is proposed to be changed and refer the reader to KU/LG&E's and the Commission's websites or KU/LG&E's business offices for further information. KU/LG&E further state that the abbreviated notice will also offer to provide a copy, upon written or electronic mail request, of any applicable rate schedule in paper or electronic medium.

KU/LG&E state that they will also take the following actions to ensure public awareness of the proposed rates adjustments: 1) a copy of the full notice as required under 807 KAR 5:001, Section 17 will be posted at LG&E/KU's offices from the time the abbreviated customer notice is published to the completion of the rate case proceeding; 2) at the time of the publication of the abbreviated notice, a copy of the full notice will be posted on LG&E/KU's website, along with a hyperlink to the case record on the Commission's website; 3) at the time the rate applications are filed, a general statement will be included in all customer bills explaining the rate applications during the course of the billing cycle; 4) at the time the rate applications are filed, KU/LG&E will email the filing of the applications to the Chief Executive Officer or legal counsel of each party that were intervenors in their last rate cases, and provide a hyperlink to the case record on the Commission's website; and 5) at the time of the publication of the abbreviated notice, KU/LG&E will issue press advisories to all known news media organizations within their service territories to advise of the filing of the rate applications and include a hyperlink to

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<sup>1</sup> Among other things, 807 KAR 5:001, Section 17(4), requires that a customer notice contain the proposed effective date and the date the proposed rates are expected to be filed with the Commission; the present rates and proposed rates for each customer classification to which the proposed rates will apply; the amount of the change requested in both dollar amounts and percentage change for each customer classification to which the proposed rates will apply; the amount of the average usage and the effect upon the average bill for each customer classification to which the proposed rates will apply.

KU/LG&E's and the Commission's websites, including to the case record. KU/LG&E state that they incurred \$2.7 million to publish the complete notice in their last rate cases. With the abbreviated notice, KU/LG&E expect to save approximately \$2 million in publication expenses.

In anticipation of the requirement that they provide six paper copies of all filings to be made in the upcoming rate cases, KU/LG&E also request that such a requirement not be imposed for certain documents filed as part of their applications. Specifically, KU/LG&E requests that they be excused from filing six copies of the following documents in paper medium: 1) most recent Federal Energy Regulatory Commission (FERC) audit report; 2) prospectus of the most recent stock or bond offerings; 3) most recent FERC Form 1 and Form 2 for electric and gas operations, respectively; and 4) U.S. Security Exchange Commission's (SEC) annual report, Form 10-K, for the most recent two years, any Form 8-K issued in the last two years, and any Form 10-Q issued in the last two years. KU/LG&E assert that these documents constituted approximately 3,000 pages of material for each company and that production of six copies of these FERC and SEC documents is unduly burdensome. In lieu of paper copies, KU/LG&E proposed to file an electronic copy only using the Commission's Electronic Filing System or reference with appropriate hyperlinks to the location of the documents on the servers of government agencies.

Lastly, KU/LG&E requests that they be relieved of any obligation to file a physical copy of any Excel spreadsheet on a compact disc or other type of portable electronic storage media. KU/LG&E state that they have adopted cybersecurity policies that prohibit

the use of such storage media in order to maintain the integrity of their computer system and to avoid the introduction of malware into their computer networks.

On August 21, 2018, the Attorney General of the Commonwealth of Kentucky, by and through the Office of Rate Intervention (Attorney General),<sup>2</sup> filed a motion requesting that certain comments be accepted into the record of this matter. The Attorney General's comments, which were provided along with the motion, addressed certain KU/LG&E's requests. With respect to KU/LG&E's request to provide hyperlinks to certain FERC and SEC documents rather than six paper copies of those documents, the Attorney General states that, if the Commission were to grant this request, KU/LG&E should be required to ensure that the links are permanent by use of a web archiving service so as to prevent "link rot."<sup>3</sup>

If the Commission were to grant KU/LG&E's request to not be required to file a physical copy of any Excel document on a compact disc or other type of portable electronic storage media, the Attorney General recommends that the Commission limit that approval and require KU/LG&E to provide a digital copy of any confidential Excel documents that are not uploaded to the Commission's website, so that all parties and Commission Staff can see the relevant information in its native format.

On August 23, 2018, KU/LG&E filed a response to the Attorney General's comments that indicated that they did not object to the Attorney General's motion. KU/LG&E also agreed to provide hyperlinks to archived access or an archived service with respect to the use of hyperlinks for FERC and SEC documents. KU/LG&E further

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<sup>2</sup> The Attorney General is the only intervenor in this matter.

<sup>3</sup> Attorney General's comments at paragraph 1.

stated that the Attorney General misconstrues the relief sought by KU/LG&E regarding the filing of Excel documents on physical storage media. KU/LG&E clarified that they seek relief only from the obligation to provide the Commission on physical electronic storage media any Excel spreadsheet that has been uploaded to the Commission via the Electronic Filing System and that is available to the public for download through the Commission's website. KU/LG&E stated that they would continue to provide in response to any lawful Order or request for information any confidential Excel spreadsheets on physical electronic storage media to the Commission and any party who has signed a confidentiality agreement.

Having reviewed the pleadings and being otherwise sufficiently advised, the Commission finds that KU/LG&E's request to publish an abbreviated customer notice is reasonable and should be granted. Because the full public notice would entail a large number of pages to be printed in a large number of newspaper publications, given the number of counties that are located within the service territories of KU and LG&E, the abbreviated notice will provide measurable savings to ratepayers. We also find that the abbreviated notice would not reduce the transparency of the rate applications to be filed by KU/LG&E in light of the public awareness measures that KU/LG&E propose to implement in conjunction with the publication of the abbreviated customer notice. Nonetheless, to fully ensure that the public will be notified and aware of KU/LG&E's upcoming rate applications, the Commission will require KU/LG&E to post a copy of the full customer notice as required by 807 KAR 5:001, Section 17, in each public library located within KU and LG&E's respective service territories at the time the abbreviated customer notice is published, to remain posted throughout the entirety of the rate

proceedings. In addition, when KU and LG&E file their upcoming rate applications, the customer notice should be filed as a separate document, labeled “Customer Notice of Rate Adjustment,” to enable ratepayers checking the Commission’s website to easily locate the notice. Because our approval is based in large part on the claimed savings of approximately \$2 million in publication expenses, the Commission will expect KU/LG&E to use their best efforts in achieving that level of savings. In the event the actual expense reduction is significantly lower than the claimed savings, the Commission will inquire accordingly during the discovery phase of KU/LG&E’s upcoming rate proceedings.

Although the Commission required six paper copies to be submitted in KU/LG&E’s most recent rate cases,<sup>4</sup> the Commission intends to require the filing of one copy in paper medium in future electronically filed cases as set forth in 807 KAR 5:001, Section 8. Accordingly, the Commission denies, as moot, KU/LG&E’s remaining two requests, both of which anticipate the six copies requirement and seek exemptions from that requirement. First, with respect to KU/LG&E’s request to provide a hyperlink to the FERC and SEC documents in lieu of providing six paper copies of those documents to the Commission, the Commission finds that KU/LG&E should only be required to provide one copy of those documents either on paper medium or physical electronic storage media. Next, with respect to KU/LG&E’s request to be relieved of the obligation to provide the Commission on physical electronic storage media any Excel spreadsheet that has been uploaded using the Commission’s Electronic Filing System, the Commission finds that

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<sup>4</sup> KU/LG&E’s most recent rate cases were electronically filed proceedings. KU/LG&E states that it will elect to use the electronic filing procedures for its upcoming rate cases.

KU/LG&E should be required to provide one copy on physical electronic storage media of any Excel spreadsheet filed by KU/LG&E in their upcoming rate cases.

IT IS HEREBY ORDERED that:

1. KU/LG&E's request to publish an abbreviated customer notice for their upcoming rate applications as described herein is granted. In addition to the public awareness measures that KU/LG&E proposes in the instant application, KU/LG&E shall also post a copy of the full customer notice as required by 807 KAR 5:001, Section 17, in each public library located within KU and LG&E's respective service territories at the time the abbreviated customer notice is published, to remain posted throughout the entirety of the rate proceedings.

2. KU/LG&E's upcoming rate applications shall include the customer notice as a separate document labeled "Customer Notice of Rate Adjustment."

3. KU/LG&E's request to not provide six paper copies of the FERC and SEC documents that are required to be filed with their upcoming rate applications is denied as moot. As set forth in 807 KAR 5:001, Section 8, KU/LG&E shall provide one copy of those FERC and SEC documents either on paper medium or physical electronic storage media.

4. KU/LG&E's request to be relieved of the obligation to provide the Commission on physical electronic storage media any Excel spreadsheet that has been uploaded to the Commission via the Electronic Filing System and is available to the public for download through the Commission's website is denied. KU/LG&E shall file one copy on physical electronic storage media of any Excel spreadsheet filed by KU/LG&E in their upcoming rate cases.

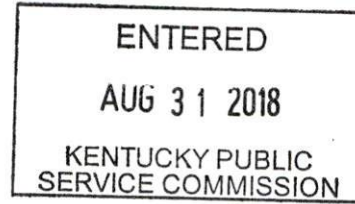
5. The Attorney General's motion to accept certain comments is granted and those comments are made part of the official record of this proceeding.

6. This case is closed and removed from the Commission's docket.

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By the Commission



ATTEST:

  
Executive Director

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

\*Kentucky Utilities Company  
220 W. Main Street  
P. O. Box 32010  
Louisville, KY 40232-2010

\*Justin M. McNeil  
Office of the Attorney General Office of Rate  
700 Capitol Avenue  
Suite 20  
Frankfort, KENTUCKY 40601-8204

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

\*Honorable Kendrick R Riggs  
Attorney at Law  
Stoll Keenon Ogden, PLLC  
2000 PNC Plaza  
500 W Jefferson Street  
Louisville, KENTUCKY 40202-2828

\*Kent Chandler  
Assistant Attorney General  
Office of the Attorney General Office of Rate  
700 Capitol Avenue  
Suite 20  
Frankfort, KENTUCKY 40601-8204

\*Larry Cook  
Assistant Attorney General  
Office of the Attorney General Office of Rate  
700 Capitol Avenue  
Suite 20  
Frankfort, KENTUCKY 40601-8204

\*Rebecca W Goodman  
Assistant Attorney General  
Office of the Attorney General Office of Rate  
700 Capitol Avenue  
Suite 20  
Frankfort, KENTUCKY 40601-8204

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