

COMMONWEALTH OF KENTUCKY  
BEFORE THE PUBLIC SERVICE COMMISSION

In the Matter of:

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	)	CASE NO.
ADVANCED METERING INFRASTRUCTURE,	)	2020-00350
APPROVAL OF CERTAIN REGULATORY AND	)	
ACCOUNTING TREATMENTS, AND	)	
ESTABLISHMENT OF A ONE-YEAR	)	
SURCREDIT	)	

NOTICE OF FILING

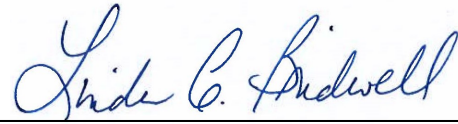
Notice is given to all parties that the following materials have been filed into the record of this proceeding:

- The digital video recording of the evidentiary hearing conducted on April 27, 2021 in this proceeding;
- Certification of the accuracy and correctness of the digital video recording;
- A written log listing, inter alia, the date and time of where each witness' testimony begins and ends on the digital video recording of the evidentiary hearing conducted on April 27, 2021.

A copy of this Notice, the certification of the digital video record, and hearing log have been served upon all persons listed at the end of this Notice. Parties desiring to view the digital video recording of the hearing may do so at <https://youtu.be/V8Nk44cpDdA>.

Parties wishing an annotated digital video recording may submit a written request by electronic mail to [pscfilings@ky.gov](mailto:pscfilings@ky.gov). A minimal fee will be assessed for a copy of this recording.

Done at Frankfort, Kentucky, this 11<sup>th</sup> day of May 2021.



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Linda C. Bridwell  
Executive Director  
Public Service Commission of Kentucky

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 )  
  
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 NOS.  
2020-00349 & 2020-00350

CERTIFICATION

I, Candace H. Sacre, hereby certify that:

1. The attached flash drive contains a digital recording of the Formal Hearing conducted in the above-styled proceeding on April 27, 2021. The Formal Hearing Log is included with the recording on April 27, 2021;
2. I am responsible for the preparation of the digital recording;
3. The digital recording accurately and correctly depicts the Formal Hearing of April 27, 2021; and
4. The Formal Hearing Log attached to this Certificate accurately and correctly states the events that occurred at the Formal Hearing of April 27, 2021, and the time at which each occurred.

Signed this 2<sup>nd</sup> day of May, 2021.



Candace H. Sacre  
Administrative Specialist III



Stephanie Schweighardt  
Notary Public State at Large ID#: 614400  
Commission Expires: January 14, 2023





# Session Report - Detail

2020-00349 2020-00350

27Apr2021

**Kentucky Utilities (KU) and  
Louisville Gas and Electric  
Company (LG&E)**

Date:	Type:	Location:	Department:
4/27/2021	Public Hearing\Public Comments	Hearing Room 1	Hearing Room 1 (HR 1)

Witness: Robert Conroy; Gregory Meiman; Steven Seelye  
 Judge: Kent Chandler; Talina Mathews; Michael Schmitt  
 Clerk: Candace Sacre

Event Time	Log Event	
9:00:05 AM	Session Started	
9:00:09 AM	Session Paused	
9:18:43 AM	Session Resumed	
9:18:50 AM	Chairman Schmitt	
	Note: Sacre, Candace	Back on the record, late start, please call next witness.
9:19:07 AM	Atty Riggs KU/LG&E	
	Note: Sacre, Candace	Date request issue, review previous IRP cases, consistent with position many years, proposals raw state, not negotiated. (Click on link for further comments.)
9:23:25 AM	Chairman Schmitt	
	Note: Sacre, Candace	If furnish in camera, reviewed and returned, problem?
9:23:42 AM	Atty Riggs KU/LG&E	
	Note: Sacre, Candace	Acceptable, transfer happen quickly.
9:23:56 AM	Chairman Schmitt	
	Note: Sacre, Candace	Vice Chairman, response?
9:24:06 AM	Vice Chairman Chandler	
	Note: Sacre, Candace	Have to have information, companies concerned other parties, take under consideration, never proposed. (Click on link for further comments.)
9:25:44 AM	Chairman Schmitt	
	Note: Sacre, Candace	Submit that, will enter order submission in camera, either certify destroyed or return, before use in order will discuss, fair?
9:26:15 AM	Atty Riggs KU/LG&E	
	Note: Sacre, Candace	Fair enough, produce in raw state by tomorrow.
9:26:37 AM	Chairman Schmitt	
	Note: Sacre, Candace	Ought to solve problem initially, ensure not disclosed outside three commissioners and counsel.
9:27:03 AM	Chairman Schmitt	
	Note: Sacre, Candace	Next witness?
9:27:08 AM	Atty Riggs KU/LG&E	
	Note: Sacre, Candace	Gregory Meiman.
9:27:46 AM	Chairman Schmitt	
	Note: Sacre, Candace	Witness is sworn.
9:28:04 AM	Atty Ingram KU/LG&E - witness Meiman	
	Note: Sacre, Candace	Direct Examination. Name?
9:28:10 AM	Atty Ingram KU/LG&E - witness Meiman	
	Note: Sacre, Candace	Job title and business address:
9:28:25 AM	Atty Ingram KU/LG&E - witness Meiman	
	Note: Sacre, Candace	Direct testimony and rebuttal?

9:28:36 AM	Atty Ingram KU/LG&E - witness Meiman Note: Sacre, Candace	Data responses?
9:28:45 AM	Atty Ingram KU/LG&E - witness Meiman Note: Sacre, Candace	Changes or corrections?
9:28:54 AM	Chairman Schmitt Note: Sacre, Candace	Questions?
9:29:01 AM	Vice Chairman Chandler - witness Meiman Note: Sacre, Candace	Examination. Measures included individual/team effectiveness scores incentive compensation?
9:30:30 AM	Vice Chairman Chandler - witness Meiman Note: Sacre, Candace	Your division set or approve metrics?
9:30:41 AM	Vice Chairman Chandler - witness Meiman Note: Sacre, Candace	Different measures, seems to be most subjective, most discretionary as far as managers setting/determining effectiveness?
9:31:53 AM	Vice Chairman Chandler - witness Meiman Note: Sacre, Candace	Different measures incentive compensation, six measures?
9:32:58 AM	Vice Chairman Chandler - witness Meiman Note: Sacre, Candace	Look at how often managers identify entirety of amount or portion?
9:35:06 AM	Vice Chairman Chandler - witness Meiman Note: Sacre, Candace	Required employees know rules, same for team and individual?
9:35:42 AM	Vice Chairman Chandler - witness Meiman Note: Sacre, Candace	Hear Bellar questions office space, working from home?
9:36:01 AM	Vice Chairman Chandler - witness Meiman Note: Sacre, Candace	Discuss what looking at maximizing effectiveness, minimizing costs, working in new reality?
9:38:58 AM	Vice Chairman Chandler - witness Meiman Note: Sacre, Candace	Before pandemic, offices in Lex/Louisville, besides renovation, relatively full?
9:39:42 AM	Vice Chairman Chandler - witness Meiman Note: Sacre, Candace	Assume necessary investments work remotely?
9:40:28 AM	Chairman Schmitt Note: Sacre, Candace	Questions?
9:41:21 AM	Atty Ingram KU/LG&E - witness Meiman Note: Sacre, Candace	Redirect Examination. Attach Exhibit GJM-1 team incentive work plan brochure?
9:41:39 AM	Atty Ingram KU/LG&E - witness Meiman Note: Sacre, Candace	Pg 4 of brochure, example calculation how individuals award calculations?
9:42:18 AM	Chairman Schmitt Note: Sacre, Candace	Witness excused.
9:43:14 AM	Chairman Schmitt Note: Sacre, Candace	Next witness?
9:43:19 AM	Atty Crosby KU/LG&E Note: Sacre, Candace	Steven Seelye.
9:43:27 AM	Chairman Schmitt Note: Sacre, Candace	Witness is sworn.
9:43:41 AM	Atty Crosby KU/LG&E - witness Seelye Note: Sacre, Candace	Direct Examination. Name?
9:43:53 AM	Atty Crosby KU/LG&E - witness Seelye Note: Sacre, Candace	By whom employed, capacity?
9:44:02 AM	Atty Crosby KU/LG&E - witness Seelye Note: Sacre, Candace	Business address?
9:44:13 AM	Atty Crosby KU/LG&E - witness Seelye Note: Sacre, Candace	Direct testimony, rebuttal, and responses?

9:44:27 AM	Atty Crosby KU/LG&E - witness Seelye Note: Sacre, Candace	Same questions, answers be same?
9:44:36 AM	Chairman Schmitt Note: Sacre, Candace	Questions?
9:44:39 AM	Asst Gen Counsel Nguyen PSC - witness Seelye Note: Sacre, Candace	Cross Examination. Present for Saunders questions?
9:45:05 AM	Asst Gen Counsel Nguyen PSC - witness Seelye Note: Sacre, Candace	Companies' Response, Joint Intervenors Second, Item 2(c), pg 5 of 6, table, impact on cash working capital, see?
9:45:36 AM	Asst Gen Counsel Nguyen PSC - witness Seelye Note: Sacre, Candace	Amounts representative worst case?
9:46:31 AM	Asst Gen Counsel Nguyen PSC - witness Seelye Note: Sacre, Candace	Amounts individually in total, longest delay 14 days, \$113 million represent all customers delay making payments?
9:47:31 AM	Asst Gen Counsel Nguyen PSC - witness Seelye Note: Sacre, Candace	Page 6 of 6, table, average cost per late payer, row customer contact, explain customer contact entail?
9:48:54 AM	Vice Chairman Chandler - witness Seelye Note: Sacre, Candace	Examination. Allocation of imbedded cost?
9:51:04 AM	Asst Gen Counsel Nguyen PSC - witness Seelye Note: Sacre, Candace	Cross Examination (cont'd). Post-hearing calculated by both companies?
9:51:06 AM	POST-HEARING DATA REQUEST Note: Sacre, Candace Note: Sacre, Candace	ASST GEN COUNSEL NGUYEN PSC - WITNESS SEELYE CALCULATION SHOWING HOW AMOUNT CALCULATED BOTH COMPANIES
9:51:36 AM	Asst Gen Counsel Nguyen PSC - witness Seelye Note: Sacre, Candace	Companies responses, Staff Third Request, Item 9, connects/disconnects, determine charge, averaged?
9:52:07 AM	Asst Gen Counsel Nguyen PSC - witness Seelye Note: Sacre, Candace	Separate cost justifications regular, disconnect and reconnect, and after hours?
9:52:22 AM	POST-HEARING DATA REQUEST Note: Sacre, Candace Note: Sacre, Candace	ASST GEN COUNSEL NGUYEN PSC - WITNESS SEELYE SEPARATE COST JUSTIFICATIONS REGULAR AND AFTER HOURS DISCONNECT AND RECONNECT
9:52:55 AM	Asst Gen Counsel Nguyen PSC - witness Seelye Note: Sacre, Candace	Rebuttal mentioned Tariff SQF, not include capacity payments?
9:53:24 AM	Asst Gen Counsel Nguyen PSC - witness Seelye Note: Sacre, Candace	Because SQFs characterized as available/nonfirm products, capacity payment not justified for calculation?
9:53:50 AM	Atty Crosby KU/LG&E Note: Sacre, Candace	Citation?
9:53:54 AM	Asst Gen Counsel Nguyen PSC Note: Sacre, Candace	Rebuttal pg 23.
9:54:03 AM	Asst Gen Counsel Nguyen PSC - witness Seelye Note: Sacre, Candace	Make distinction legally enforceable obligation, provide example SQF firm power, elect request payment legally enforceable terms?
9:58:02 AM	Asst Gen Counsel Nguyen PSC - witness Seelye Note: Sacre, Candace	Rebuttal pgs 45-47, discuss SQF rates not include loss factor?
9:58:50 AM	Asst Gen Counsel Nguyen PSC - witness Seelye Note: Sacre, Candace	Familiar Commission regulation cogeneration?
9:59:03 AM	Asst Gen Counsel Nguyen PSC - witness Seelye Note: Sacre, Candace	Familiar provision provides for certain items utilities take into account determine small qualified facility for a QF rate?

9:59:33 AM	Asst Gen Counsel Nguyen PSC - witness Seelye Note: Sacre, Candace	807 KAR 5054:75(c), take into account savigs or costs resulting from line losses, reading? (Click on link for further comments.)
10:00:00 AM	Asst Gen Counsel Nguyen PSC - witness Seelye Note: Sacre, Candace	Explain why companies not include loss factor in SQF rates?
10:02:28 AM	Asst Gen Counsel Nguyen PSC - witness Seelye Note: Sacre, Candace	Testimony, given regulation does not provide exceptions utility take into consideration line losses, saying companies did take into account costs/savings line losses QF customer developing QF rate, saying companies took into consideration no costs/savings line losses developing QF rate?
10:04:19 AM	Asst Gen Counsel Nguyen PSC - witness Seelye Note: Sacre, Candace	Companies make informal calculation?
10:04:48 AM	Asst Gen Counsel Nguyen PSC - witness Seelye Note: Sacre, Candace	SQF rate and LQF, KYSEIA made recommendations regarding tariffs not addressed rebuttal, provide explanation, SQF term of five years?
10:07:21 AM	Asst Gen Counsel Nguyen PSC - witness Seelye Note: Sacre, Candace	Conroy appropriate witness ask companies position recommendations by KYSEIA?
10:08:10 AM	Asst Gen Counsel Nguyen PSC - witness Seelye Note: Sacre, Candace	Other recommendation, modifying avoided energy rate, reading? (Click on link for further comment.)
10:08:31 AM	Asst Gen Counsel Nguyen PSC - witness Seelye Note: Sacre, Candace	Modifying Tariff LQF provide current capacity methodology, only applies during periods of energy efficiency?
10:09:57 AM	Asst Gen Counsel Nguyen PSC - witness Seelye Note: Sacre, Candace	Recommendation facing avoided capacity cost periods energy inefficiency?
10:11:49 AM	Asst Gen Counsel Nguyen PSC - witness Seelye Note: Sacre, Candace	Regarding KYSEIA recommendations regarding net metering tariffs not addressed by rebuttal, explanation/position, allowing net metering expand facility without forfeiting legacy rights?
10:12:40 AM	Asst Gen Counsel Nguyen PSC - witness Seelye Note: Sacre, Candace	Conroy?
10:12:47 AM	Asst Gen Counsel Nguyen PSC - witness Seelye Note: Sacre, Candace	LG&E Response, Staff Third Request, Item 45, provide revised calculation gas meter testing, \$112.86?
10:14:06 AM	Atty Crosby KU/LG&E Note: Sacre, Candace	Second page of Response.
10:14:18 AM	Asst Gen Counsel Nguyen PSC - witness Seelye Note: Sacre, Candace	Meter test costs at bottom \$112.86?
10:14:30 AM	Asst Gen Counsel Nguyen PSC - witness Seelye Note: Sacre, Candace	Stipulation Exhibit 7, 53 of 144, share on screen, see Meter Test Charge, customer charged \$101 cover test/transportation cost?
10:15:55 AM	Asst Gen Counsel Nguyen PSC - witness Seelye Note: Sacre, Candace	How reconcile?
10:17:11 AM	Asst Gen Counsel Nguyen PSC - witness Seelye Note: Sacre, Candace	Saying \$101 correct charge?
10:17:48 AM	Asst Gen Counsel Nguyen PSC - witness Seelye Note: Sacre, Candace	Post-hearing data request?
10:17:55 AM	POST-HEARING DATA REQUEST Note: Sacre, Candace Note: Sacre, Candace	ASST GEN COUNSEL NGUYEN PSC - WITNESS SEELYE VERIFY \$101 TEST/TRANSPORTATION COST



10:17:57 AM	Asst Gen Counsel Nguyen PSC - witness Seelye Note: Sacre, Candace	LG&E gas revenue allocation, application propose eliminate 25% subsidies for rates FT AAGS RGS?
10:18:42 AM	Asst Gen Counsel Nguyen PSC - witness Seelye Note: Sacre, Candace	Once subsidy reduced, how provide balance allocated?
10:19:05 AM	Asst Gen Counsel Nguyen PSC - witness Seelye Note: Sacre, Candace	As filed position?
10:19:15 AM	Asst Gen Counsel Nguyen PSC - witness Seelye Note: Sacre, Candace	Stipulation Exhibit 4 LG&E gas revenues allocated?
10:19:35 AM	Asst Gen Counsel Nguyen PSC - witness Seelye Note: Sacre, Candace	How proposed revenue compare revenue allocation in application?
10:20:53 AM	Asst Gen Counsel Nguyen PSC - witness Seelye Note: Sacre, Candace	Position/opinion proposed revenue allocation stipulation fair, just, and reasonable?
10:21:50 AM	Asst Gen Counsel Nguyen PSC - witness Seelye Note: Sacre, Candace	LG&E electric revenue allocation, company as filed position, not reduce interclass subsidies and allocate across rate classes system average increase?
10:22:26 AM	Asst Gen Counsel Nguyen PSC - witness Seelye Note: Sacre, Candace	Stipulation Exhibit 3 proposed revenue allocation?
10:22:36 AM	Asst Gen Counsel Nguyen PSC - witness Seelye Note: Sacre, Candace	How proposed revenue allocation compare company as filed in application?
10:24:02 AM	Asst Gen Counsel Nguyen PSC - witness Seelye Note: Sacre, Candace	Recall total system rate of return on base rate?
10:24:20 AM	Asst Gen Counsel Nguyen PSC - witness Seelye Note: Sacre, Candace	4.43 percent?
10:24:30 AM	Asst Gen Counsel Nguyen PSC - witness Seelye Note: Sacre, Candace	Exhibit Direct WSS-22, pg 2 of 2, agree based upon 12CP COSS illustrated return on rate base TODP 5.04 percent?
10:25:19 AM	Asst Gen Counsel Nguyen PSC - witness Seelye Note: Sacre, Candace	Focus on 12CP, 5.04%?
10:25:31 AM	Asst Gen Counsel Nguyen PSC - witness Seelye Note: Sacre, Candace	Above system average?
10:25:41 AM	Asst Gen Counsel Nguyen PSC - witness Seelye Note: Sacre, Candace	Rate RTS below system average?
10:25:47 AM	Asst Gen Counsel Nguyen PSC - witness Seelye Note: Sacre, Candace	12CP 3.75%?
10:26:00 AM	Asst Gen Counsel Nguyen PSC - witness Seelye Note: Sacre, Candace	What imply above/below system average?
10:27:23 AM	Asst Gen Counsel Nguyen PSC - witness Seelye Note: Sacre, Candace	Exhibit 3 Stipulation, share on screen, see this?
10:28:45 AM	Asst Gen Counsel Nguyen PSC - witness Seelye Note: Sacre, Candace	Proposed revenue allocation agreed to/reflected in Stipulation LG&E electric customers?
10:29:08 AM	Asst Gen Counsel Nguyen PSC - witness Seelye Note: Sacre, Candace	Percent increase residential class?
10:29:15 AM	Asst Gen Counsel Nguyen PSC - witness Seelye Note: Sacre, Candace	Ultimate percent rate increase bottom?
10:29:32 AM	Asst Gen Counsel Nguyen PSC - witness Seelye Note: Sacre, Candace	Explain why TODP class and RTS class received 2.46 percent and 3.64 percent less increase than system average?
10:30:17 AM	Asst Gen Counsel Nguyen PSC - witness Seelye Note: Sacre, Candace	Proposed revenue allocation fair, just, and reasonable?

10:31:32 AM	Asst Gen Counsel Nguyen PSC - witness Seelye Note: Sacre, Candace	KU revenue allocation as filed position not reduce interclass subsidies and allocate by system average?
10:31:59 AM	Asst Gen Counsel Nguyen PSC - witness Seelye Note: Sacre, Candace	Agreed to position, Stip Exhibit 2?
10:32:06 AM	Asst Gen Counsel Nguyen PSC - witness Seelye Note: Sacre, Candace	For KU, in general, how proposed revenue allocation stipulation compare proposed revenue allocation as-filed position?
10:34:00 AM	Asst Gen Counsel Nguyen PSC - witness Seelye Note: Sacre, Candace	Mentioned FLS, only class received below system average increase?
10:34:14 AM	Asst Gen Counsel Nguyen PSC - witness Seelye Note: Sacre, Candace	What customers served on FLS?
10:34:31 AM	Atty Crosby KU/LG&E Note: Sacre, Candace	Misspoke, KU or LG&E?
10:34:55 AM	Asst Gen Counsel Nguyen PSC - witness Seelye Note: Sacre, Candace	Only customer served under KU FLS?
10:35:29 AM	Asst Gen Counsel Nguyen PSC - witness Seelye Note: Sacre, Candace	KU rate design, Exhibit 5 tariff sheets in stipulation?
10:36:01 AM	Asst Gen Counsel Nguyen PSC - witness Seelye Note: Sacre, Candace	TOD secondary service, change in rate design energy and demand charges?
10:36:38 AM	Asst Gen Counsel Nguyen PSC - witness Seelye Note: Sacre, Candace	Demand charge?
10:37:13 AM	Asst Gen Counsel Nguyen PSC - witness Seelye Note: Sacre, Candace	Explain why peak intermediate demand decreased but base demand charge increased?
10:38:21 AM	Asst Gen Counsel Nguyen PSC - witness Seelye Note: Sacre, Candace	3.76?
10:38:35 AM	Asst Gen Counsel Nguyen PSC - witness Seelye Note: Sacre, Candace	3.5 base demand period?
10:38:52 AM	Atty Crosby KU/LG&E Note: Sacre, Candace	Seelye correct, looking at (inaudible) secondary or another rate schedule?
10:39:11 AM	Asst Gen Counsel Nguyen PSC Note: Sacre, Candace	I'm on LG&E, you're right.
10:39:30 AM	Asst Gen Counsel Nguyen PSC - witness Seelye Note: Sacre, Candace	Provide typical commercial customer on rate class?
10:41:06 AM	Asst Gen Counsel Nguyen PSC - witness Seelye Note: Sacre, Candace	TODP entire increase placed on peak intermediate base demand and not on energy charges?
10:42:07 AM	Asst Gen Counsel Nguyen PSC - witness Seelye Note: Sacre, Candace	Allocation revenue increase three demand charges, rationale?
10:43:59 AM	Asst Gen Counsel Nguyen PSC - witness Seelye Note: Sacre, Candace	Rate RTS entire increase placed on peak intermediate base demand and not energy charges?
10:45:25 AM	Asst Gen Counsel Nguyen PSC - witness Seelye Note: Sacre, Candace	Typical commercial customers served under rate class?
10:46:20 AM	Asst Gen Counsel Nguyen PSC - witness Seelye Note: Sacre, Candace	FLS primary FLS customers explain revenue increase allocated energy charge and peak intermediate base demand charge?
10:47:35 AM	Asst Gen Counsel Nguyen PSC - witness Seelye Note: Sacre, Candace	Same philosophy applied LG&E similar rate classes as well?
10:48:01 AM	Asst Gen Counsel Nguyen PSC - witness Seelye Note: Sacre, Candace	Post-hearing data request billing Exhibits 2 3 and 4 excell format?

10:48:29 AM	POST-HEARING DATA REQUEST Note: Sacre, Candace Note: Sacre, Candace	ASST GEN COUNSEL NGUYEN PSC - WITNESS SEELYE BILLING ANALYSIS STIPULATION EXHIBITS 2, 3, and 4 IN EXCEL FORMAT
10:48:57 AM	Chairman Schmitt Note: Sacre, Candace	Recess until 11 o'clock.
10:49:08 AM	Session Paused	
10:59:30 AM	Session Resumed	
10:59:33 AM	Chairman Schmitt Note: Sacre, Candace	Back on the record, continue.
11:00:23 AM	Asst Gen Counsel Nguyen PSC - witness Seelye Note: Sacre, Candace	Cross Examination (cont'd). Companies net metering NMS2 tariff, customers PV and behind meter storage permitted to take service under NMS2?
11:02:08 AM	Asst Gen Counsel Nguyen PSC - witness Seelye Note: Sacre, Candace	Whether customers with EV and PV, confirm with Conroy?
11:02:31 AM	Asst Gen Counsel Nguyen PSC - witness Seelye Note: Sacre, Candace	NMS2 customers make energy efficiency investments?
11:02:59 AM	Asst Gen Counsel Nguyen PSC - witness Seelye Note: Sacre, Candace	Direct pg 104 into 105?
11:03:19 AM	Asst Gen Counsel Nguyen PSC - witness Seelye Note: Sacre, Candace	How production fixed costs allocated COSS?
11:03:31 AM	Asst Gen Counsel Nguyen PSC - witness Seelye Note: Sacre, Candace	Answer, reading (Click on link for further comments.)?
11:04:21 AM	Asst Gen Counsel Nguyen PSC - witness Seelye Note: Sacre, Candace	Loss of load profitability represents probability system total demand exceed generation capacity given hour?
11:04:40 AM	Asst Gen Counsel Nguyen PSC - witness Seelye Note: Sacre, Candace	Resources generate with higher LOLP help system meet demand?
11:04:54 AM	Asst Gen Counsel Nguyen PSC - witness Seelye Note: Sacre, Candace	Resources generate during higher LOLP help reduce probability of system demand exceeding capacity?
11:05:16 AM	Asst Gen Counsel Nguyen PSC - witness Seelye Note: Sacre, Candace	Can, correct?
11:05:35 AM	Asst Gen Counsel Nguyen PSC - witness Seelye Note: Sacre, Candace	Resources generate during hours higher LOLP reduce probability system demand exceeding capacity?
11:06:09 AM	Asst Gen Counsel Nguyen PSC - witness Seelye Note: Sacre, Candace	If intermittent resource generating during hour with higher LOLP, would then reduce probability of system demand exceeding capacity?
11:06:31 AM	Asst Gen Counsel Nguyen PSC - witness Seelye Note: Sacre, Candace	Lowering LOLP reduce fixed production costs allocated to that hour?
11:06:49 AM	Asst Gen Counsel Nguyen PSC - witness Seelye Note: Sacre, Candace	Energy efficiency, familiar with concept?
11:07:09 AM	Asst Gen Counsel Nguyen PSC - witness Seelye Note: Sacre, Candace	Implemented to meet customers own needs?
11:07:22 AM	Asst Gen Counsel Nguyen PSC - witness Seelye Note: Sacre, Candace	Dispatchable resource?
11:08:04 AM	Asst Gen Counsel Nguyen PSC - witness Seelye Note: Sacre, Candace	Outside load control programs, typical energy efficiency measure not be dispatchable resource?
11:08:30 AM	Asst Gen Counsel Nguyen PSC - witness Seelye Note: Sacre, Candace	Energy reductions from energy efficiency vary through day, different EE different time varying values?

11:10:18 AM Asst Gen Counsel Nguyen PSC - witness Seelye  
Note: Sacre, Candace Consider EE conventional capacity resource?

11:10:43 AM Asst Gen Counsel Nguyen PSC - witness Seelye  
Note: Sacre, Candace Rebuttal pg 43, graph depicts equivalent relationship renewable energy and conventional generation?

11:11:19 AM Asst Gen Counsel Nguyen PSC - witness Seelye  
Note: Sacre, Candace Accurate this equivalency relationship allow 100 percent renewable resource portfolio?

11:13:59 AM Asst Gen Counsel Nguyen PSC - witness Seelye  
Note: Sacre, Candace No constraints long-term energy storage under graphic allow 100 percent renewable resource portfolio?

11:15:12 AM Asst Gen Counsel Nguyen PSC - witness Seelye  
Note: Sacre, Candace Rebuttal pg 28, assigning capacity value rooftop solar based on capacity costs would be inappropriate?

11:17:16 AM Asst Gen Counsel Nguyen PSC - witness Seelye  
Note: Sacre, Candace Discuss state solar plus storage, whether aware residential solar plus storage cleared ISO4 capacity market?

11:18:53 AM Asst Gen Counsel Nguyen PSC - witness Seelye  
Note: Sacre, Candace Familiar New England ISO?

11:19:07 AM Asst Gen Counsel Nguyen PSC - witness Seelye  
Note: Sacre, Candace Not familiar facility called Sun Run and aggregated 20 megawatts solar plus storage?

11:19:41 AM Asst Gen Counsel Nguyen PSC - witness Seelye  
Note: Sacre, Candace Could be possible if that ISO allows it, facility cleared capacity market in ISO such as Sun Run, example of legally enforceable capacity supplied in retail market?

11:21:03 AM Asst Gen Counsel Nguyen PSC - witness Seelye  
Note: Sacre, Candace Coupled with storage?

11:21:12 AM Asst Gen Counsel Nguyen PSC - witness Seelye  
Note: Sacre, Candace Sun Run facility cleared ISO residential solar with storage?

11:22:03 AM Asst Gen Counsel Nguyen PSC - witness Seelye  
Note: Sacre, Candace Make difference ISO provisions for penalties not coming on line and performing after awarding capacity?

11:22:44 AM Asst Gen Counsel Nguyen PSC - witness Seelye  
Note: Sacre, Candace Would consider solar facility plus storage cleared ISO for capacity market example of legally enforceable capacity?

11:23:34 AM Asst Gen Counsel Nguyen PSC - witness Seelye  
Note: Sacre, Candace Does LG&E/KU offer tariff designed to incent behavior from residential customer solar plus storage?

11:25:11 AM Asst Gen Counsel Nguyen PSC - witness Seelye  
Note: Sacre, Candace Rebuttal pg 40, lines 13-15, reading. (Click on link for further comments.) Identify utilities in US with operational distributed energy resource systems?

11:26:27 AM Asst Gen Counsel Nguyen PSC - witness Seelye  
Note: Sacre, Candace Don't know if KU/LG&E parent company have?

11:26:55 AM Asst Gen Counsel Nguyen PSC - witness Seelye  
Note: Sacre, Candace Pg 67 Rebuttal, developed COSS separate class net metering customers?

11:28:01 AM Asst Gen Counsel Nguyen PSC - witness Seelye  
Note: Sacre, Candace Class Cost of Service Study, separate net metering?

11:28:12 AM Asst Gen Counsel Nguyen PSC - witness Seelye  
Note: Sacre, Candace Conduct reseach on this class current net metering customers?

11:29:57 AM	Asst Gen Counsel Nguyen PSC - witness Seelye Note: Sacre, Candace	Reference KU response KYSEIA initial Request for Information, Item 10, KU have 8760 load profile representative current net metering customers, state response?
11:31:19 AM	Asst Gen Counsel Nguyen PSC - witness Seelye Note: Sacre, Candace	Answer no?
11:32:18 AM	Chairman Schmitt Note: Sacre, Candace	Questions?
11:32:24 AM	Vice Chairman Chandler - witness Seelye Note: Sacre, Candace	Examination. Loss of load probability how plan system?
11:33:20 AM	Vice Chairman Chandler - witness Seelye Note: Sacre, Candace	Look at just 6CP in isolation why default resource not always be CT?
11:34:19 AM	Vice Chairman Chandler - witness Seelye Note: Sacre, Candace	How would unit like Trimble 2 get billed only look at peak capacity to meet load?
11:36:07 AM	Vice Chairman Chandler - witness Seelye Note: Sacre, Candace	All generating units built to meet peak load?
11:36:24 AM	Vice Chairman Chandler - witness Seelye Note: Sacre, Candace	Base intermediate peak units purpose entire system to meet peak demand?
11:37:35 AM	Vice Chairman Chandler - witness Seelye Note: Sacre, Candace	System utilization not perfectly aligned with system planning?
11:38:03 AM	Vice Chairman Chandler - witness Seelye Note: Sacre, Candace	Tariff OSL limited 20 meters/participants per customer?
11:38:37 AM	Vice Chairman Chandler - witness Seelye Note: Sacre, Candace	Fairly good return per COSS?
11:38:44 AM	Vice Chairman Chandler - witness Seelye Note: Sacre, Candace	One of highest return?
11:38:53 AM	Vice Chairman Chandler - witness Seelye Note: Sacre, Candace	Appreciate need for limit, cost/operation justification continue limit?
11:40:19 AM	Vice Chairman Chandler - witness Seelye Note: Sacre, Candace	Apparent COSS significant benefit?
11:41:21 AM	Vice Chairman Chandler - witness Seelye Note: Sacre, Candace	Folks don't know, set up fields, add concession stand, single meter, takes away availability of rate?
11:42:14 AM	Vice Chairman Chandler - witness Seelye Note: Sacre, Candace	Any conversations seasonal rates?
11:44:16 AM	Vice Chairman Chandler - witness Seelye Note: Sacre, Candace	Shoulder months?
11:44:28 AM	Vice Chairman Chandler - witness Seelye Note: Sacre, Candace	Shoulder months, two peaks, generally when utilities take certain generators off line?
11:44:45 AM	Vice Chairman Chandler - witness Seelye Note: Sacre, Candace	Create problem move load to shoulder cause peaks generation off line?
11:46:45 AM	Vice Chairman Chandler - witness Seelye Note: Sacre, Candace	Mechanisms, like fuel adjustment clause, address concerns?
11:47:09 AM	Vice Chairman Chandler - witness Seelye Note: Sacre, Candace	Specifically targeted seasonal rates rather than system as whole?
11:48:35 AM	Vice Chairman Chandler - witness Seelye Note: Sacre, Candace	Grain dryers, Catch-22, drive costs, benefit waiting longer moving load to seasonal rate, conversations with companies like that?
11:50:00 AM	Vice Chairman Chandler - witness Seelye Note: Sacre, Candace	Worth having cap on participation since only benefit companies?

11:50:31 AM	Vice Chairman Chandler - witness Seelye Note: Sacre, Candace	Companies did not know rate would be when created?
11:51:12 AM	Vice Chairman Chandler - witness Seelye Note: Sacre, Candace	Public comment?
11:51:24 AM	Vice Chairman Chandler - witness Seelye Note: Sacre, Candace	FLS talking earlier?
11:51:38 AM	Vice Chairman Chandler - witness Seelye Note: Sacre, Candace	Cost justification for below system average load increase for FLS?
11:53:13 AM	Vice Chairman Chandler - witness Seelye Note: Sacre, Candace	Appreciate reason why below, COSS basis, difference probability dispatch return compared to 6CP return?
11:53:53 AM	Vice Chairman Chandler - witness Seelye Note: Sacre, Candace	Significantly lower, Baron on behalf AG/KICU shortcoming LOLP not necessarily factor in load reduction, fair?
11:54:48 AM	Vice Chairman Chandler - witness Seelye Note: Sacre, Candace	6CP looks exclusively at load deman, LOLP looks at demand not meeting load, inclusion of companies capacity that makes difference?
11:56:45 AM	Vice Chairman Chandler - witness Seelye Note: Sacre, Candace	Model CSR into LOLP?
11:57:16 AM	Vice Chairman Chandler - witness Seelye Note: Sacre, Candace	Not include economic purchases, look at sharing agreement TVA referenced yesterday?
11:58:13 AM	Vice Chairman Chandler - witness Seelye Note: Sacre, Candace	CSR looked at as generation?
11:58:39 AM	Vice Chairman Chandler - witness Seelye Note: Sacre, Candace	Sinclair data request response CSR not called in five years?
11:59:41 AM	Vice Chairman Chandler - witness Seelye Note: Sacre, Candace	CSR not physically curtailed?
12:00:03 PM	Vice Chairman Chandler - witness Seelye Note: Sacre, Candace	Forced outages last few years current reserves capacity, not called on CSRs, how describe probability of loss of load?
12:01:36 PM	Vice Chairman Chandler - witness Seelye Note: Sacre, Candace	When using loss of load probabily allocating production costs, zero hours have probability of lost load?
12:02:21 PM	Vice Chairman Chandler - witness Seelye Note: Sacre, Candace	Zero hours show any probability loss of load?
12:03:09 PM	Vice Chairman Chandler - witness Seelye Note: Sacre, Candace	Not been your example completing them or reviewing someone else's COSS?
12:03:22 PM	Chairman Schmitt Note: Sacre, Candace	Recess until one o'clock.
12:03:34 PM	Session Paused	
1:03:08 PM	Session Resumed	
1:03:12 PM	Chairman Schmitt Note: Sacre, Candace	Back on the record, continue?
1:03:38 PM	Vice Chairman Chandler - witness Seelye Note: Sacre, Candace	Examination (cont'd). LG&E Response Staff 2-116, table LG&E percentage total COSS, 27.08% energy related?
1:05:18 PM	Vice Chairman Chandler - witness Seelye Note: Sacre, Candace	2018 rate case 32.2% costs energy related?
1:05:27 PM	Vice Chairman Chandler - witness Seelye Note: Sacre, Candace	2016 case 36.5%?

1:05:40 PM	Vice Chairman Chandler - witness Seelye Note: Sacre, Candace	2014 rate case 43.37%?
1:05:41 PM	Vice Chairman Chandler - witness Seelye Note: Sacre, Candace	2012 rate case 45.90%?
1:05:54 PM	Vice Chairman Chandler - witness Seelye Note: Sacre, Candace	How energy costs halved in eight-year period?
1:07:44 PM	Vice Chairman Chandler - witness Seelye Note: Sacre, Candace	Explain in isolation 2012 and 2020 studies, how costs classified for energy related, able to do that?
1:08:04 PM	POST-HEARING DATA REQUEST Note: Sacre, Candace Note: Sacre, Candace	VICE CHAIRMAN CHANDLER - WITNESS SEELYE COMPARE 2012 AND 2020 STUDIES AND HOW COSTS CLASSIFIED AS ENERGY RELATED
1:08:32 PM	Vice Chairman Chandler - witness Seelye Note: Sacre, Candace	Earlier ask about SQF tariff and avoided capacity costs?
1:08:45 PM	Vice Chairman Chandler - witness Seelye Note: Sacre, Candace	SQFs applies to qualifying facilities 100 kW and below?
1:08:55 PM	Vice Chairman Chandler - witness Seelye Note: Sacre, Candace	LQFs large qualifying facilities 100 kW or above?
1:09:21 PM	Vice Chairman Chandler - witness Seelye Note: Sacre, Candace	Contribution to capacity SQFs provide?
1:09:39 PM	Vice Chairman Chandler - witness Seelye Note: Sacre, Candace	Facilities provide, cogen, biomass, how many cogen or biomass 100 kW or smaller?
1:10:55 PM	Vice Chairman Chandler - witness Seelye Note: Sacre, Candace	Avoided costs, June 28 1984 Order 1985-00056, involved?
1:11:53 PM	Vice Chairman Chandler - witness Seelye Note: Sacre, Candace	Investigation of SPP/Cogenerators PURPA?
1:12:15 PM	Vice Chairman Chandler - witness Seelye Note: Sacre, Candace	Both party to this case?
1:12:23 PM	Vice Chairman Chandler - witness Seelye Note: Sacre, Candace	Avoided capacity section, reading. (Click on link for further comments.) See that?
1:13:29 PM	Vice Chairman Chandler - witness Seelye Note: Sacre, Candace	Calculation of rates, avoided capacity to purchase rates, three steps, reading. (Click on link for further comments.) Dispatchability talked about earlier?
1:14:30 PM	Vice Chairman Chandler - witness Seelye Note: Sacre, Candace	Reading. (Click on link for further comments.) Opportunity off-system sales?
1:15:32 PM	Vice Chairman Chandler - witness Seelye Note: Sacre, Candace	Assumption benefit to SEEM buy and sell?
1:15:46 PM	Vice Chairman Chandler - witness Seelye Note: Sacre, Candace	Load growth insignificant?
1:16:04 PM	Vice Chairman Chandler - witness Seelye Note: Sacre, Candace	Reserve margin within target?
1:16:14 PM	Vice Chairman Chandler - witness Seelye Note: Sacre, Candace	17-25 percent?
1:16:23 PM	Vice Chairman Chandler - witness Seelye Note: Sacre, Candace	Neither planning nor constructing capacity?
1:16:52 PM	Vice Chairman Chandler - witness Seelye Note: Sacre, Candace	Capacity need following 2028 retirements?
1:17:01 PM	Vice Chairman Chandler - witness Seelye Note: Sacre, Candace	One or two of these not present?

1:17:58 PM	Vice Chairman Chandler - witness	Seelye
	Note: Sacre, Candace	Didn't say if not dispatchable can't get capacity payment, capacity payment appropriate when is dispatchable?
1:20:41 PM	Vice Chairman Chandler - witness	Seelye
	Note: Sacre, Candace	Wait till actually need too late to get to avoid capacity need?
1:21:44 PM	Vice Chairman Chandler - witness	Seelye
	Note: Sacre, Candace	SQF other resources?
1:21:57 PM	Vice Chairman Chandler - witness	Seelye
	Note: Sacre, Candace	Not saying too early companies have avoided capacity costs?
1:23:57 PM	Vice Chairman Chandler - witness	Seelye
	Note: Sacre, Candace	Avoided generation capacity generally, back to basics, defer, downsize, cancel, fair?
1:24:58 PM	Vice Chairman Chandler - witness	Seelye
	Note: Sacre, Candace	Prove all things same time prove don't have to make capacity payment?
1:26:11 PM	Vice Chairman Chandler - witness	Seelye
	Note: Sacre, Candace	Definition before applied/calculated, avoided generation capacity cost?
1:26:48 PM	Vice Chairman Chandler - witness	Seelye
	Note: Sacre, Candace	Agree Commission finding, contradictory utilities argue zero avoided capacity costs while plan/construct generating facilities?
1:27:27 PM	Vice Chairman Chandler - witness	Seelye
	Note: Sacre, Candace	Looking at utility and avoided capacity cost?
1:28:06 PM	Vice Chairman Chandler - witness	Seelye
	Note: Sacre, Candace	Planning to construct capacity, there is an avoided capacity cost, benefit for deferring, downsizing future investment?
1:29:16 PM	Vice Chairman Chandler - witness	Seelye
	Note: Sacre, Candace	Aware last DSM energy efficiency plan what avoided capacity cost was?
1:29:48 PM	Vice Chairman Chandler - witness	Seelye
	Note: Sacre, Candace	One planned retirement, no capacity additions over long term?
1:30:15 PM	Vice Chairman Chandler - witness	Seelye
	Note: Sacre, Candace	Acknowledge company avoided capacity cost no longer zero?
1:31:02 PM	Vice Chairman Chandler - witness	Seelye
	Note: Sacre, Candace	Participate in DSM proceedings before Commission?
1:31:07 PM	Vice Chairman Chandler - witness	Seelye
	Note: Sacre, Candace	Calculating DSM/energy efficiency, cost effectiveness, avoided generation capacity input into calculation?
1:31:29 PM	Vice Chairman Chandler - witness	Seelye
	Note: Sacre, Candace	Increasing avoided capacity cost for energy efficiency/DSM, increasing makes programs more cost effective?
1:31:54 PM	Vice Chairman Chandler - witness	Seelye
	Note: Sacre, Candace	Just on DSM and energy efficiency?
1:32:30 PM	Vice Chairman Chandler - witness	Seelye
	Note: Sacre, Candace	DSM in Kentucky definition broad, companies avoided capacity cost of zero, now have higher than zero?
1:33:05 PM	Vice Chairman Chandler - witness	Seelye
	Note: Sacre, Candace	Second step in calculation, selection of proper methodology reflect avoided capacity costs, reading. (Click on link for further comments.) Companies calculation, recollection/understanding what do is reflects savings from system planning additions, reproducible by other interested parties?
1:35:02 PM	Vice Chairman Chandler - witness	Seelye
	Note: Sacre, Candace	Today?



1:37:18 PM	Vice Chairman Chandler - witness	Seelye
	Note: Sacre, Candace	PURPA 1978?
1:37:29 PM	Vice Chairman Chandler - witness	Seelye
	Note: Sacre, Candace	Methodology in 1984, implemented in 50 states, QF rates applicable solar/renewable generation 40 years?
1:38:02 PM	Vice Chairman Chandler - witness	Seelye
	Note: Sacre, Candace	Ought to be done now presumption was programs/facilities renewable for intermittent or solar facilities?
1:39:53 PM	Vice Chairman Chandler - witness	Seelye
	Note: Sacre, Candace	Third step, how turning avoided capacity cost into capacity rate?
1:43:38 PM	Vice Chairman Chandler - witness	Seelye
	Note: Sacre, Candace	Familiar PJM?
1:43:43 PM	Vice Chairman Chandler - witness	Seelye
	Note: Sacre, Candace	How behind the meter treated PJM capacity purposes?
1:44:18 PM	Vice Chairman Chandler - witness	Seelye
	Note: Sacre, Candace	LOLP, use other expectations?
1:44:31 PM	Vice Chairman Chandler - witness	Seelye
	Note: Sacre, Candace	PJM, behind the meter generation reduces noble demand, noble load reduction, demand for PJM less?
1:45:41 PM	Vice Chairman Chandler - witness	Seelye
	Note: Sacre, Candace	Utility gets benefit whatever ???????? in that hour?
1:45:56 PM	Vice Chairman Chandler - witness	Seelye
	Note: Sacre, Candace	Distinction?
1:46:58 PM	Vice Chairman Chandler - witness	Seelye
	Note: Sacre, Candace	All things equal, 5CP planning process PJM, behind the meter to the utility, resources export during peaks to utility, appears PJM as if holistic load reduction?
1:48:07 PM	Vice Chairman Chandler - witness	Seelye
	Note: Sacre, Candace	Shows up less load than otherwise would be as a node than had DR or DER?
1:48:35 PM	Vice Chairman Chandler - witness	Seelye
	Note: Sacre, Candace	PJM not plan on winter peaks
1:48:49 PM	Vice Chairman Chandler - witness	Seelye
	Note: Sacre, Candace	ELCC implemented at PJM?
1:49:25 PM	Vice Chairman Chandler - witness	Seelye
	Note: Sacre, Candace	Distribution system, avoided distribution costs real thing?
1:50:06 PM	Vice Chairman Chandler - witness	Seelye
	Note: Sacre, Candace	Defer downsize cancel, avoided generation capacity idea, avoiding upgrade, additional hardware, what avoiding?
1:51:28 PM	Vice Chairman Chandler - witness	Seelye
	Note: Sacre, Candace	Agree existence avoided distribution costs?
1:52:20 PM	Vice Chairman Chandler - witness	Seelye
	Note: Sacre, Candace	What create cost?
1:52:30 PM	Vice Chairman Chandler - witness	Seelye
	Note: Sacre, Candace	Not asking adding SQFs, asking does idea theory exist of avoided distribution costs?
1:52:57 PM	Vice Chairman Chandler - witness	Seelye
	Note: Sacre, Candace	With generation/transmission capacity looking at things in aggregate rather than system/circuit basis?
1:53:42 PM	Vice Chairman Chandler - witness	Seelye
	Note: Sacre, Candace	Avoided costs, cost that exists or will exist, avoiding benefit to system?
1:54:02 PM	Vice Chairman Chandler - witness	Seelye
	Note: Sacre, Candace	Environmental economics, avoided cost benefit?

1:54:16 PM	Vice Chairman Chandler - witness Note: Sacre, Candace	Seelye Know avoided distribution costs on system, unless circumstances identified by utility on localized level, may be able to identify?
1:54:55 PM	Vice Chairman Chandler - witness Note: Sacre, Candace	Seelye Not provide incentive, utility or customer, take action avoid that, treating as subcost?
1:55:34 PM	Vice Chairman Chandler - witness Note: Sacre, Candace	Seelye Asking manufacturer on circuit runs 8 am to 4 pm, move operations starting at 5 pm, lots of changes on circuit, change can avoid additional cost for system?
1:56:39 PM	Vice Chairman Chandler - witness Note: Sacre, Candace	Seelye Unless specifically identified localized level, sending/providing incentive to system, no economic benefit to load to change anything? Aware economic benefit of changing anything?
1:59:54 PM	Vice Chairman Chandler - witness Note: Sacre, Candace	Seelye Two different things, backwards looking rate design, forward looking incremental investment?
2:00:23 PM	Vice Chairman Chandler - witness Note: Sacre, Candace	Seelye Identify avoided cost, not incentivize behavior costs will be incurred?
2:00:58 PM	Vice Chairman Chandler - witness Note: Sacre, Candace	Seelye Asking about thing agreed exist?
2:01:44 PM	Vice Chairman Chandler - witness Note: Sacre, Candace	Seelye Of residential customers bill, one cent each kWh related to distribution demand cost?
2:02:11 PM	Vice Chairman Chandler - witness Note: Sacre, Candace	Seelye Portion of distribution recovered through customer classified cost falls into category?
2:02:40 PM	Vice Chairman Chandler - witness Note: Sacre, Candace	Seelye Testimony fixed short-run distribution-related customer classified costs exists no avoidable costs in entire category?
2:03:49 PM	Vice Chairman Chandler - witness Note: Sacre, Candace	Seelye If changes size of transformer, multiple changes affect loading on pole?
2:06:03 PM	Vice Chairman Chandler - witness Note: Sacre, Candace	Seelye If customer after transformer installed reduce demand over number of years, able to be replaced with smaller transformer reduced demand, difference in cost an avoided distribution cost?
2:07:16 PM	Vice Chairman Chandler - witness Note: Sacre, Candace	Seelye Generic utility earns return on investment incentivized to avoid load reduction to avoid distribution capacity investments?
2:08:34 PM	Vice Chairman Chandler - witness Note: Sacre, Candace	Seelye Distribution line losses, company position exports on to system only cause issues relates to voltage or can fix issues or just dependent on situation?
2:10:33 PM	Vice Chairman Chandler - witness Note: Sacre, Candace	Seelye Systems company plans invest?
2:11:44 PM	Vice Chairman Chandler - witness Note: Sacre, Candace	Seelye Agree interconnection process address items up front prior to systems going into service?
2:12:24 PM	Chairman Schmitt Note: Sacre, Candace	Recess until 2:25.
2:12:30 PM	Session Paused	
2:24:37 PM	Session Resumed	
2:24:43 PM	Chairman Schmitt Note: Sacre, Candace	Back on record,

2:25:10 PM	Chairman Schmitt	
	Note: Sacre, Candace	Questions?
2:26:13 PM	Atty Gardner Lex-Fayette/Louisville - witness Seelye	
	Note: Sacre, Candace	Cross Examination. Aware testimony submitted company listed 500 net metering customers LG&E and 600 customers KU?
2:26:49 PM	Atty Gardner Lex-Fayette/Louisville - witness Seelye	
	Note: Sacre, Candace	Total number joint applicants less than one milion?
2:27:02 PM	Atty Gardner Lex-Fayette/Louisville - witness Seelye	
	Note: Sacre, Candace	Costs shifted from 1100 net metering customers to nonparticipating customers?
2:29:55 PM	Atty Gardner Lex-Fayette/Louisville - witness Seelye	
	Note: Sacre, Candace	Pick higher two numbers, range of \$285,000?
2:30:21 PM	Atty Gardner Lex-Fayette/Louisville - witness Seelye	
	Note: Sacre, Candace	Divide by million customers, 0.285 cents?
2:30:38 PM	Atty Gardner Lex-Fayette/Louisville - witness Seelye	
	Note: Sacre, Candace	Two cents per month, other half that, one cent per month?
2:31:01 PM	Atty Gardner Lex-Fayette/Louisville - witness Seelye	
	Note: Sacre, Candace	Studies net metering customers because not available in future?
2:32:09 PM	Atty Gardner Lex-Fayette/Louisville - witness Seelye	
	Note: Sacre, Candace	Statute limits total number customers one percent load?
2:32:40 PM	Atty Gardner Lex-Fayette/Louisville - witness Seelye	
	Note: Sacre, Candace	Ceiling on that?
2:32:55 PM	Chairman Schmitt	
	Note: Sacre, Candace	Questions?
2:33:45 PM	Atty Fitzgerald Joint Intervenors - witness Seelye	
	Note: Sacre, Candace	Cross Examination. Indicated information income levels of solar net metering anectodal?
2:34:37 PM	Atty Fitzgerald Joint Intervenors - witness Seelye	
	Note: Sacre, Candace	Know any net metering customers that but for ability would become LIHEAP customers?
2:35:16 PM	Atty Fitzgerald Joint Intervenors - witness Seelye	
	Note: Sacre, Candace	No such study KU/LG&E service area?
2:35:28 PM	Atty Fitzgerald Joint Intervenors - witness Seelye	
	Note: Sacre, Candace	Answer no?
2:35:38 PM	Atty Fitzgerald Joint Intervenors - witness Seelye	
	Note: Sacre, Candace	Any study of economic circumstances net metering customers KU/LG&E?
2:36:04 PM	Atty Fitzgerald Joint Intervenors - witness Seelye	
	Note: Sacre, Candace	Commission looking to set rates service areas?
2:36:19 PM	Atty Fitzgerald Joint Intervenors - witness Seelye	
	Note: Sacre, Candace	Direct pg 43, read lines 6-12?
2:37:18 PM	Atty Fitzgerald Joint Intervenors - witness Seelye	
	Note: Sacre, Candace	Deconstructing, how many interconnections within LG&E/KU folks taking service under SQF?
2:37:46 PM	Atty Fitzgerald Joint Intervenors - witness Seelye	
	Note: Sacre, Candace	Provide in post-hearing data request?
2:37:58 PM	Atty Fitzgerald Joint Intervenors - witness Seelye	
	Note: Sacre, Candace	Customer interested needs met by solar energy no longer afford rooftop panels, alternative offered by LG&E/KU?
2:39:22 PM	Atty Fitzgerald Joint Intervenors - witness Seelye	
	Note: Sacre, Candace	If customer interested having needs met by solar energy but could not afford, other alternatives?
2:39:56 PM	Atty Fitzgerald Joint Intervenors - witness Seelye	
	Note: Sacre, Candace	Any customer can't afford, other options offered by companies?

2:40:50 PM	Atty Fitzgerald Joint Intervenor - witness Seelye Note: Sacre, Candace	Customers service under Solar Share or Green Energy same meter charge?
2:41:11 PM	Atty Fitzgerald Joint Intervenor - witness Seelye Note: Sacre, Candace	What energy charge relative to nonparticipating? Less, same or more?
2:41:31 PM	Atty Fitzgerald Joint Intervenor - witness Seelye Note: Sacre, Candace	Same?
2:41:34 PM	Atty Fitzgerald Joint Intervenor - witness Seelye Note: Sacre, Candace	Retail rate?
2:41:39 PM	Atty Fitzgerald Joint Intervenor - witness Seelye Note: Sacre, Candace	Comparing small nonutility generation by net metering against system energy/capacity cost or comparing against solar utility class?
2:42:04 PM	Atty Fitzgerald Joint Intervenor - witness Seelye Note: Sacre, Candace	Comparing avoided costs of solar need to look at solar?
2:44:16 PM	Atty Fitzgerald Joint Intervenor - witness Seelye Note: Sacre, Candace	Suggested looking a behind the meter net metering customers has ability to install up to 45 kW against company owned solar resource?
2:45:17 PM	Atty Fitzgerald Joint Intervenor - witness Seelye Note: Sacre, Candace	Pg 43, net generation, generation exceeds energy requirements during month, all energy netted against all electricity consumed?
2:45:51 PM	Atty Fitzgerald Joint Intervenor - witness Seelye Note: Sacre, Candace	Only excess over netting?
2:46:04 PM	Atty Fitzgerald Joint Intervenor - witness Seelye Note: Sacre, Candace	Summer day, more than I need, evening pulling what need, saying what feed in that day and what pull out that evening netted at same value, only excess over month gets devalued?
2:47:20 PM	Atty Crosby KU/LG&E Note: Sacre, Candace	Conroy able to address.
2:47:36 PM	Atty Fitzgerald Joint Intervenor Note: Sacre, Candace	Appreciate that, assume always the case.
2:47:52 PM	Atty Fitzgerald Joint Intervenor - witness Seelye Note: Sacre, Candace	Net metering scheme, any value to customer oversizing system produces more credits over year than what consumption would be?
2:48:23 PM	Atty Fitzgerald Joint Intervenor - witness Seelye Note: Sacre, Candace	Because credits keep building up?
2:48:58 PM	Atty Fitzgerald Joint Intervenor - witness Seelye Note: Sacre, Candace	If excess generation valued at avoided cost for wholesale market PURPA, then selling fed-in electricity to neighbor at avoided cost or getting retail?
2:50:26 PM	Atty Fitzgerald Joint Intervenor - witness Seelye Note: Sacre, Candace	Physically, what happens to electricity fed into grid by net metering customer?
2:51:48 PM	Atty Fitzgerald Joint Intervenor - witness Seelye Note: Sacre, Candace	That electron follow wherever load is, probably some neighbor?
2:52:14 PM	Atty Fitzgerald Joint Intervenor - witness Seelye Note: Sacre, Candace	Mean that neighbor getting some of load served without having to generate electricity?
2:52:34 PM	Atty Fitzgerald Joint Intervenor - witness Seelye Note: Sacre, Candace	Without having to transmit through grid?
2:53:45 PM	Atty Fitzgerald Joint Intervenor - witness Seelye Note: Sacre, Candace	If goes down the street, getting metered for what using and paying for use?

2:54:19 PM Atty Fitzgerald Joint Intervenor - witness Seelye  
Note: Sacre, Candace Billing at retail?

2:54:24 PM Atty Fitzgerald Joint Intervenor - witness Seelye  
Note: Sacre, Candace Pg 45, suggesting providing retail rate compensatory credit is a subsidy paid by nonparticipating customers?

2:55:03 PM Atty Fitzgerald Joint Intervenor - witness Seelye  
Note: Sacre, Candace What constitute intraclass subsidy?

2:56:21 PM Atty Fitzgerald Joint Intervenor - witness Seelye  
Note: Sacre, Candace Fed-in electricity compensated retail rate, one for one rate?

2:56:47 PM Atty Fitzgerald Joint Intervenor - witness Seelye  
Note: Sacre, Candace Reselling for same value?

2:57:26 PM Atty Fitzgerald Joint Intervenor - witness Seelye  
Note: Sacre, Candace Customer generator under net metering tariff pays same charge?

2:57:43 PM Atty Fitzgerald Joint Intervenor - witness Seelye  
Note: Sacre, Candace Customer generator using less energy thus paying less cost than embedded in energy charge?

2:59:05 PM Atty Fitzgerald Joint Intervenor - witness Seelye  
Note: Sacre, Candace Customer generator not generator, rooftop solar heating cooling, reduced to look like generator, consider that customer subsidized by those less energy efficient?

3:01:46 PM Atty Fitzgerald Joint Intervenor - witness Seelye  
Note: Sacre, Candace Indicated two subsidy components, net metering customer overcompensated for value fed into system, other said lower load factor, ten percent lower than regular customer, customer invests energy efficiency load factor ten percent lower, regular customer subsidizing me?

3:02:46 PM Atty Fitzgerald Joint Intervenor - witness Seelye  
Note: Sacre, Candace Company proposed remedial measures require more efficient customer cough up fair share of cost than what paying?

3:04:33 PM Atty Fitzgerald Joint Intervenor - witness Seelye  
Note: Sacre, Candace \$46,000 and \$95,000 KU/LG&E service areas as being so-called subsidy, saying nothing in rate proposal recover difference?

3:05:24 PM Atty Fitzgerald Joint Intervenor - witness Seelye  
Note: Sacre, Candace Pg 46, cited KRS 278.466(5) and provided explanation your understanding?

3:06:21 PM Atty Fitzgerald Joint Intervenor - witness Seelye  
Note: Sacre, Candace Allows utility rate schedule net metering customers different rate than other customers and on some basis other than cost to serve customer?

3:07:32 PM Atty Fitzgerald Joint Intervenor - witness Seelye  
Note: Sacre, Candace Setting two different rates under statute rather than one cost and benefits of solar?

3:09:00 PM Atty Fitzgerald Joint Intervenor - witness Seelye  
Note: Sacre, Candace Confirm companies chose not develop cost-based rate address serving distributed generation net metering customers?

3:09:33 PM Atty Fitzgerald Joint Intervenor - witness Seelye  
Note: Sacre, Candace Done or LG&E/KU family done benefit cost assessment cost of servicing net metering customers?

3:10:29 PM Atty Fitzgerald Joint Intervenor - witness Seelye  
Note: Sacre, Candace Indicated data not sufficient be valid LG&E service area but valid KU area?

3:11:47 PM Atty Fitzgerald Joint Intervenor - witness Seelye  
Note: Sacre, Candace COS do any benefit cost assessment study quantifiable benefits including rooftop solar in grid?

3:13:56 PM	Atty Fitzgerald Joint Intervenor - witness Seelye Note: Sacre, Candace	Value proposing assign fed-in solar excess generation, SQ avoided cost?
3:14:35 PM	Atty Fitzgerald Joint Intervenor - witness Seelye Note: Sacre, Candace	Value include any credit for avoided energy cost consumption by net metering customers?
3:15:31 PM	Atty Fitzgerald Joint Intervenor - witness Seelye Note: Sacre, Candace	Does value proposing that number avoided cost consider locational benefits generation of net metering in constrained area?
3:16:56 PM	Atty Fitzgerald Joint Intervenor - witness Seelye Note: Sacre, Candace	Did number proposed value excess generation consider potential load reduction in transmission/distribution infrastructure being closer to load?
3:18:30 PM	Atty Fitzgerald Joint Intervenor - witness Seelye Note: Sacre, Candace	Does proposed valuation include avoided capacity costs?
3:20:23 PM	Atty Fitzgerald Joint Intervenor - witness Seelye Note: Sacre, Candace	Questions Tariff SQF, answers mentionend SQF and net metering customers same sentence, correct SQF generate for sale/resale?
3:21:45 PM	Atty Fitzgerald Joint Intervenor - witness Seelye Note: Sacre, Candace	PURPA language, reading, SQF generator generating for sale/resale in wholesale market?
3:22:39 PM	Atty Fitzgerald Joint Intervenor - witness Seelye Note: Sacre, Candace	Compensation rate SQF limited by federal law?
3:23:40 PM	Atty Fitzgerald Joint Intervenor - witness Seelye Note: Sacre, Candace	Compensatory rate SQF entitled to limited to costs avoided when energy purchased from facilities?
3:24:12 PM	Atty Fitzgerald Joint Intervenor - witness Seelye Note: Sacre, Candace	Under Kentucky law, fed-in energy given credit not given money?
3:24:30 PM	Atty Fitzgerald Joint Intervenor - witness Seelye Note: Sacre, Candace	No benefit for customer super sizing array just more credits not use?
3:24:54 PM	Atty Fitzgerald Joint Intervenor - witness Seelye Note: Sacre, Candace	No return for array produces more than use over year?
3:25:10 PM	Atty Fitzgerald Joint Intervenor - witness Seelye Note: Sacre, Candace	Net metering customer not size system export, importing occurs through meter incidental to generation for use?
3:27:32 PM	Atty Fitzgerald Joint Intervenor - witness Seelye Note: Sacre, Candace	Infrastructure costs serve customer not in meter charge?
3:28:12 PM	Atty Fitzgerald Joint Intervenor - witness Seelye Note: Sacre, Candace	None costs of transformer, not cost of poles?
3:29:22 PM	Atty Fitzgerald Joint Intervenor - witness Seelye Note: Sacre, Candace	10 percent lower load factor that normal customer?
3:30:07 PM	Atty Fitzgerald Joint Intervenor - witness Seelye Note: Sacre, Candace	Net-in customer charged for use nighttime?
3:30:52 PM	Atty Fitzgerald Joint Intervenor - witness Seelye Note: Sacre, Candace	Lowering compensation for excess generation, looking at COS, look at nonenergy benefits net metering customer provides?
3:31:37 PM	Atty Fitzgerald Joint Intervenor - witness Seelye Note: Sacre, Candace	Testified no capacity credits net metering energy when company no need for capacity?
3:33:31 PM	Atty Fitzgerald Joint Intervenor - witness Seelye Note: Sacre, Candace	Net metering capacity value cost lower existing capacity, company take advantage of that?
3:34:09 PM	Atty Fitzgerald Joint Intervenor - witness Seelye Note: Sacre, Candace	Net metering provide capacity value lower existing capacity, should company take advantage of that?

3:34:46 PM Atty Fitzgerald Joint Intervenor - witness Seelye  
Note: Sacre, Candace Large ISOs assign capacity values to wind, solar?

3:37:04 PM Atty Fitzgerald Joint Intervenor - witness Seelye  
Note: Sacre, Candace ELCC, Effective Load Carrying Capacity?

3:37:15 PM Atty Fitzgerald Joint Intervenor - witness Seelye  
Note: Sacre, Candace Used to assign value to solar?

3:37:38 PM Chairman Schmitt  
Note: Sacre, Candace Break until 3:45.

3:37:55 PM Session Paused

3:45:09 PM Session Resumed

3:45:17 PM Chairman Schmitt  
Note: Sacre, Candace Back on record, continue.

3:46:05 PM Atty Fitzgerald Joint Intervenor - witness Seelye  
Note: Sacre, Candace Cross Examination (cont'd). Intermittent, definition?

3:47:59 PM Atty Fitzgerald Joint Intervenor - witness Seelye  
Note: Sacre, Candace Familiar term availability?

3:48:17 PM Atty Fitzgerald Joint Intervenor - witness Seelye  
Note: Sacre, Candace Solar operate when expected to?

3:49:30 PM Atty Fitzgerald Joint Intervenor - witness Seelye  
Note: Sacre, Candace Solar generation in summer coincides air conditioning load peaks?

3:53:57 PM Atty Fitzgerald Joint Intervenor - witness Seelye  
Note: Sacre, Candace Solar capacity value in summer?

3:55:26 PM Atty Fitzgerald Joint Intervenor - witness Seelye  
Note: Sacre, Candace Solar peak early in day, any value having solar precedes higher residential load, provide benefits?

3:56:08 PM Atty Fitzgerald Joint Intervenor - witness Seelye  
Note: Sacre, Candace Transformer and conductors, affected by heat and loading?

3:57:00 PM Atty Fitzgerald Joint Intervenor - witness Seelye  
Note: Sacre, Candace Precooling benefit solar precede load in evening extend useful life infrastructure?

3:58:14 PM Atty Fitzgerald Joint Intervenor - witness Seelye  
Note: Sacre, Candace Situation net metering customer required replacing transformer?

3:58:39 PM Atty Fitzgerald Joint Intervenor - witness Seelye  
Note: Sacre, Candace Wolfe, combustion turbines not preferred default resource, renewables will be, remember that?

4:00:23 PM Atty Fitzgerald Joint Intervenor - witness Seelye  
Note: Sacre, Candace Assist company resource options, evaluate how options perform into future?

4:01:15 PM Atty Fitzgerald Joint Intervenor - witness Seelye  
Note: Sacre, Candace Avoided cost for KU/LG&E, type of generation when added additional kilowatt?

4:03:21 PM Atty Fitzgerald Joint Intervenor - witness Seelye  
Note: Sacre, Candace Avoided cost number used, what is generation assumed currently?

4:06:20 PM Atty Fitzgerald Joint Intervenor - witness Seelye  
Note: Sacre, Candace Proposing compensate net metering customers at utilities avoided cost?

4:06:40 PM Atty Fitzgerald Joint Intervenor - witness Seelye  
Note: Sacre, Candace Assumption company generate next kilowatt hour?

4:06:54 PM Atty Fitzgerald Joint Intervenor - witness Seelye  
Note: Sacre, Candace Hydro capacity, gas capacity, coal capacity, what generation?

4:07:39 PM Atty Fitzgerald Joint Intervenor - witness Seelye  
Note: Sacre, Candace Coal or natural gas?

4:08:17 PM Atty Fitzgerald Joint Intervenors - witness Seelye  
Note: Sacre, Candace Near future, utilities have greater reliance on renewables due to regulatory requirements?

4:08:45 PM Atty Fitzgerald Joint Intervenors - witness Seelye  
Note: Sacre, Candace Regulatory issues emission related?

4:09:40 PM Atty Fitzgerald Joint Intervenors - witness Seelye  
Note: Sacre, Candace Given renewable solar none of issues emissions, adding solar to utility portfolio mix positive hedge against regulatory uncertainties?

4:11:02 PM Chairman Schmitt  
Note: Sacre, Candace Questions?

4:11:28 PM Atty Spenard KYSEIA - witness Seelye  
Note: Sacre, Candace Cross Examination. Percentage line losses unavoidable?

4:13:21 PM Atty Spenard KYSEIA - witness Seelye  
Note: Sacre, Candace Core losses, education training experience, what percentage of line losses fall into category of core losses?

4:14:02 PM Atty Spenard KYSEIA - witness Seelye  
Note: Sacre, Candace Square, mean losses curve because squaring I, higher losses with higher loads?

4:14:50 PM Atty Spenard KYSEIA - witness Seelye  
Note: Sacre, Candace Greater current loss percentage increase with higher load?

4:15:04 PM Atty Spenard KYSEIA - witness Seelye  
Note: Sacre, Candace Rebuttal, pg 7, line 6, reading. (Click on link for further comments.) See that?

4:16:01 PM Atty Spenard KYSEIA - witness Seelye  
Note: Sacre, Candace Advocacy on behalf of compensation and market prices? Testimony states purchase power energy market, framework for how compensate NMS 1 customers, reference market prices?

4:18:20 PM Atty Spenard KYSEIA - witness Seelye  
Note: Sacre, Candace Company generate power themselves self-generation or market price?

4:19:52 PM Atty Spenard KYSEIA - witness Seelye  
Note: Sacre, Candace Line 6, company generate or purchase power in energy market, misunderstand? Avoided costs not be by reference to purchases in market, only by reference to company's generated costs?

4:21:40 PM Atty Spenard KYSEIA - witness Seelye  
Note: Sacre, Candace Instances where market purchase, believe prices pays corporate capacity value?

4:22:04 PM Atty Spenard KYSEIA - witness Seelye  
Note: Sacre, Candace Why case?

4:22:57 PM Atty Spenard KYSEIA - witness Seelye  
Note: Sacre, Candace Time horizons planning, IRP planning Kentucky, IRP takes 15-year look past base period?

4:23:39 PM Atty Spenard KYSEIA - witness Seelye  
Note: Sacre, Candace Believe SQF and LQF do not need same terms?

4:23:59 PM Atty Spenard KYSEIA - witness Seelye  
Note: Sacre, Candace Basis for position?

4:24:57 PM Atty Spenard KYSEIA - witness Seelye  
Note: Sacre, Candace Response said 2018, mean 2028?

4:25:24 PM Atty Spenard KYSEIA - witness Seelye  
Note: Sacre, Candace If LG&E/KU able, net metered system included storage, able control storage, had basis suggest different export rate?

4:28:57 PM Atty Spenard KYSEIA - witness Seelye  
Note: Sacre, Candace Battery storage, typically rated and sold for capacities between two to four hours?



4:30:18 PM	Atty Spenard KYSEIA - witness Seelye Note: Sacre, Candace	Possible battery run more four hours straight?
4:31:44 PM	Atty Spenard KYSEIA - witness Seelye Note: Sacre, Candace	Battery run for two hours and run two hours next morning?
4:33:06 PM	Atty Spenard KYSEIA - witness Seelye Note: Sacre, Candace	Present virtually Wolfe testified?
4:33:23 PM	Atty Spenard KYSEIA - witness Seelye Note: Sacre, Candace	Expotential increase in applications?
4:34:03 PM	Atty Spenard KYSEIA - witness Seelye Note: Sacre, Candace	Upward trend in applications?
4:34:31 PM	Atty Spenard KYSEIA - witness Seelye Note: Sacre, Candace	Trends, applications and systems proposed, change systems being proposed with battery storage to batteries without storage?
4:35:40 PM	Atty Spenard KYSEIA - witness Seelye Note: Sacre, Candace	Market rates, given range of rates for solar purchase now, identifying marketplace where places companies go price current market price solar?
4:37:31 PM	Atty Spenard KYSEIA - witness Seelye Note: Sacre, Candace	Behind meter solar in PJM, does PJM prescribe capacity value?
4:38:15 PM	Atty Spenard KYSEIA - witness Seelye Note: Sacre, Candace	Implicitly?
4:39:21 PM	Atty Spenard KYSEIA - witness Seelye Note: Sacre, Candace	Customer necessarily pass electricity back through transformer when export?
4:40:31 PM	Atty Spenard KYSEIA - witness Seelye Note: Sacre, Candace	Energy storage systems, projections possibility customer grid defection?
4:41:43 PM	Atty Spenard KYSEIA - witness Seelye Note: Sacre, Candace	How customer generators enhance value to grid, any consideration incenting/incorporating features in rate design customer generation could enhance grid?
4:43:57 PM	Atty Spenard KYSEIA - witness Seelye Note: Sacre, Candace	Bills residential customers monthly?
4:44:38 PM	Atty Spenard KYSEIA - witness Seelye Note: Sacre, Candace	Proposal for customers taking service under NMS 2 rider, monthly, subtract some amount based on generation bill difference, customer some amount usage, consideration excess at play NMS 2, any generation not have value reducing bill energy customer uses?
4:50:09 PM	Chairman Schmitt Note: Sacre, Candace	Questions?
4:51:31 PM	Chairman Schmitt Note: Sacre, Candace	Recess until 5 o'clock.
4:51:36 PM	Session Paused	
5:00:23 PM	Session Resumed	
5:01:18 PM	Chairman Schmitt Note: Sacre, Candace	Redirect?
5:01:44 PM	Atty Crosby KU/LG&E - witness Seelye Note: Sacre, Candace	Redirect Examination. Questioning concerning rate design for LG&E TODS and TODP?
5:02:08 PM	Atty Crosby KU/LG&E - witness Seelye Note: Sacre, Candace	Rebuttal testimony, pgs 79-80, table 5, see that?
5:02:49 PM	Atty Crosby KU/LG&E - witness Seelye Note: Sacre, Candace	TODS, correct 6CP analysis better rate of return?
5:03:15 PM	Atty Crosby KU/LG&E - witness Seelye Note: Sacre, Candace	TODP, LOLP indicate better rate of return?

5:03:34 PM	Atty Crosby KU/LG&E - witness Seelye Note: Sacre, Candace	Pg 79, KU rates, FLS 6CP system average or better?
5:03:55 PM	Atty Crosby KU/LG&E - witness Seelye Note: Sacre, Candace	Reason industrial rates why makes sense eliminate subsidies as opposed to other customer classes?
5:08:38 PM	Atty Crosby KU/LG&E - witness Seelye Note: Sacre, Candace	Recall discussion allocation increase each rate class between demand charges and reason not allocated energy cost?
5:09:07 PM	Atty Crosby KU/LG&E - witness Seelye Note: Sacre, Candace	Energy rates in stipulation across board collect marginal cost associated providing energy, fully recovered, nothing changes that?
5:09:49 PM	Atty Crosby KU/LG&E - witness Seelye Note: Sacre, Candace	CSR discussion, recall?
5:10:08 PM	Atty Crosby KU/LG&E - witness Seelye Note: Sacre, Candace	CSR designed to be regular use resource or emergency use resource?
5:10:50 PM	Atty Crosby KU/LG&E - witness Seelye Note: Sacre, Candace	Aware of instance company requested physical curtailments?
5:11:32 PM	Atty Crosby KU/LG&E - witness Seelye Note: Sacre, Candace	Accept company call on physical curtailments 2014?
5:12:03 PM	Atty Crosby KU/LG&E - witness Seelye Note: Sacre, Candace	Companies request economic curtailments customer buy through?
5:12:45 PM	Atty Crosby KU/LG&E - witness Seelye Note: Sacre, Candace	Response KYSEIA First Request, Item 17, sponsored?
5:13:30 PM	Atty Crosby KU/LG&E - witness Seelye Note: Sacre, Candace	Would help address question netting approach proposing under NMS 2 rider?
5:13:53 PM	Atty Crosby KU/LG&E - witness Seelye Note: Sacre, Candace	Discussion what contained avoided cost rate that is SQF proposing NMS rider?
5:14:22 PM	Atty Crosby KU/LG&E - witness Seelye Note: Sacre, Candace	Response, AG/KIUC First Set, Item 172, familiar?
5:15:10 PM	Chairman Schmitt Note: Sacre, Candace	Anything else?
5:15:20 PM	Chairman Schmitt Note: Sacre, Candace	Witness excused.
5:15:28 PM	Chairman Schmitt Note: Sacre, Candace	Procedural discussion. (Click on link for further comments.)
5:16:02 PM	Chairman Schmitt Note: Sacre, Candace	Objection excuse Kollen and Baron?
5:18:51 PM	Chairman Schmitt Note: Sacre, Candace	Counsel notice Kollen and Baron not required to testify.
5:19:26 PM	Chairman Schmitt Note: Sacre, Candace	Witness is sworn.
5:19:47 PM	Atty Crosby KU/LG&E - witness Conroy Note: Sacre, Candace	Direct Examination. Name?
5:19:50 PM	Atty Crosby KU/LG&E - witness Conroy Note: Sacre, Candace	By whom employed, capacity?
5:20:00 PM	Atty Crosby KU/LG&E - witness Conroy Note: Sacre, Candace	Business address?
5:20:07 PM	Atty Crosby KU/LG&E - witness Conroy Note: Sacre, Candace	Direct, rebuttal, responses?
5:20:21 PM	Atty Crosby KU/LG&E - witness Conroy Note: Sacre, Candace	Same questions, answers be same?

5:20:44 PM	Asst Gen Counsel Nguyen PSC - witness Conroy Note: Sacre, Candace	Cross Examination. Questions asked of Seelye, related recommendations made by KYSEIA SQF and LQF tariffs?
5:21:20 PM	Asst Gen Counsel Nguyen PSC - witness Conroy Note: Sacre, Candace	One modify avoided energy rate LQF to match SQF, recommendation?
5:22:29 PM	Asst Gen Counsel Nguyen PSC - witness Conroy Note: Sacre, Candace	NMS 2 tariff, customers have PV and behind meter storage allowed to take service?
5:23:29 PM	Asst Gen Counsel Nguyen PSC - witness Conroy Note: Sacre, Candace	Customer both PV and storage eligible receive compensation under NMS 2 proposed rates based on PV facility output?
5:25:16 PM	Asst Gen Counsel Nguyen PSC - witness Conroy Note: Sacre, Candace	Same response customer PV and electric vehicles?
5:25:42 PM	Asst Gen Counsel Nguyen PSC - witness Conroy Note: Sacre, Candace	Customers take service under NMS 2 energy investments?
5:26:04 PM	Asst Gen Counsel Nguyen PSC - witness Conroy Note: Sacre, Candace	Recall Seelye referenced TOD rates ability customers with solar plus storage or just solar take service under TOD rates?
5:26:48 PM	Asst Gen Counsel Nguyen PSC - witness Conroy Note: Sacre, Candace	Residential customers with solar take service under TOD rates Seelye referenced this morning?
5:27:17 PM	Asst Gen Counsel Nguyen PSC - witness Conroy Note: Sacre, Candace	Under rider NMS 2, rates set out similar to TOD rates?
5:28:01 PM	Asst Gen Counsel Nguyen PSC - witness Conroy Note: Sacre, Candace	Watch Saunders testimony residential customers waiver late payment fee?
5:28:35 PM	Asst Gen Counsel Nguyen PSC - witness Conroy Note: Sacre, Candace	Customer only request waiver relevant tariff language if good standing?
5:29:12 PM	Asst Gen Counsel Nguyen PSC - witness Conroy Note: Sacre, Candace	Expanding nonresidential, reading. (Click on link for further comments.) Language of tariff?
5:29:42 PM	Asst Gen Counsel Nguyen PSC - witness Conroy Note: Sacre, Candace	Customer charged late in January, not request waived, same customer charged late in May same year, not be able request fee waived till May next year?
5:30:18 PM	Asst Gen Counsel Nguyen PSC - witness Conroy Note: Sacre, Candace	Customer receive notice respect rights under tariff request waiver of late payment charge?
5:30:58 PM	Asst Gen Counsel Nguyen PSC - witness Conroy Note: Sacre, Candace	No such knowledge, what Saunders said?
5:31:16 PM	Asst Gen Counsel Nguyen PSC - witness Conroy Note: Sacre, Candace	Direct, pg 54, discuss revisions LG&E gas supply clause recovery costs vaporized liquified petroleum gas and air and liquified natural gas?
5:31:55 PM	Asst Gen Counsel Nguyen PSC - witness Conroy Note: Sacre, Candace	Explain how supplementing supply natural gas with vaporized liquified petroleum gas and air and liquified natural gas beneficial to customers?
5:32:51 PM	Asst Gen Counsel Nguyen PSC - witness Conroy Note: Sacre, Candace	Revisions gas clause approved, Commission have authority review reasonable gas costs related to vaporized liquified petroleum gas and air and liquified natural gas and disallow costs unreasonable?

5:33:26 PM	Asst Gen Counsel Nguyen PSC - witness Conroy Note: Sacre, Candace	LG&E Response, Sixth Request, Item 33, revisions to transportation tariff?
5:34:01 PM	Asst Gen Counsel Nguyen PSC - witness Conroy Note: Sacre, Candace	Response seems address existing customer eligibility gas transportation service for load other than generation facility, explain whether/how impact eligibility gas transportation service new customer additional load if install generation facility served under CGS IGS or DGGGS?
5:35:28 PM	POST-HEARING DATA REQUEST Note: Sacre, Candace Note: Sacre, Candace	ASST GEN COUNSEL NGUYEN PSC - WITNESS CONROY EXPLAIN WHETHER/HOW IMPACT ELIGIBILITY GAS TRANSPORTATION SERVICE NEW CUSTOMER ADDITIONAL LOAD IF INSTALL GENERATION FACILITY SERVED UNDER CGS IGS OR DGGGS
5:35:37 PM	Asst Gen Counsel Nguyen PSC - witness Conroy Note: Sacre, Candace	Any circumstances generation load qualify transportation service without underlying sales service?
5:36:03 PM	POST-HEARING DATA REQUEST Note: Sacre, Candace Note: Sacre, Candace	ASST GEN COUNSEL NGUYEN PSC - WITNESS CONROY CIRCUMSTANCES GENERATION LOAD QUALIFY TRANSPORTATION SERVICE WITHOUT UNDERLYING SALES SERVICE
5:36:06 PM	Asst Gen Counsel Nguyen PSC - witness Conroy Note: Sacre, Candace	Stipulation Exhibits 8 and 9, proposed retired asset recovery rider tariffs, if approved, whether companies regular filings update amounts billed under rider like environmental surcharge and fuel adjustment clause?
5:36:59 PM	Chairman Schmitt Note: Sacre, Candace	Questions?
5:37:07 PM	Vice Chairman Chandler - witness Conroy Note: Sacre, Candace	Examination. NMS 1 provision terminate service credits go away?
5:37:35 PM	Vice Chairman Chandler - witness Conroy Note: Sacre, Candace	Change in law net metering, understanding net metering three years ago, 1 and 2 go into effect, that person leaves, credits go away, new person takes service, has solar panels?
5:38:35 PM	Vice Chairman Chandler - witness Conroy Note: Sacre, Candace	Anything change for homes already taking under net metering and continue for NMS 1?
5:39:24 PM	Vice Chairman Chandler - witness Conroy Note: Sacre, Candace	NMS 2 customers proposing not giving kW credit, dollar denominated credit value of export?
5:40:01 PM	Vice Chairman Chandler - witness Conroy Note: Sacre, Candace	Being provided actual value amount per kW hour, proposal NMS 2 customers also terminate credits when service terminated?
5:41:36 PM	Vice Chairman Chandler - witness Conroy Note: Sacre, Candace	Does statute preclude credit continuing with system?
5:42:10 PM	Vice Chairman Chandler - witness Conroy Note: Sacre, Candace	Home sold, credits go away?
5:42:31 PM	Vice Chairman Chandler - witness Conroy Note: Sacre, Candace	NMS 2 statute seem say once person terminates service not get credit net dollar credits?
5:42:53 PM	Vice Chairman Chandler - witness Conroy Note: Sacre, Candace	Preclude new customer use credits?
5:43:03 PM	Vice Chairman Chandler - witness Conroy Note: Sacre, Candace	Statute does or tariff would?

5:43:17 PM	Vice Chairman Chandler - witness Note: Sacre, Candace	Conroy Customer married couple taken under NMS 2 as proposed, bill in one customers name, person name on bills passes, moves out, other stays in home, name on bill changed, termination of service or less than termination of service under current wording?
5:44:47 PM	Vice Chairman Chandler - witness Note: Sacre, Candace	Conroy Look at that?
5:44:54 PM	POST-HEARING DATA REQUEST Note: Sacre, Candace	BILL NAME CHANGE A TERMINATION OF SERVICE CURRENT WORDING
5:45:03 PM	Vice Chairman Chandler - witness Note: Sacre, Candace	Conroy VICE CHAIRMAN CHANDLER - WITNESS CONROY Apply both to legacy NMS 1 and NMS 2, changes for somebody already lived there?
5:45:30 PM	Vice Chairman Chandler - witness Note: Sacre, Candace	Conroy Waiver late fee, making waiver late fee default?
5:45:57 PM	Vice Chairman Chandler - witness Note: Sacre, Candace	Conroy Customer expect to be late later in year may want pay late fee now and request late fee at later time, assumption as well with nonresidential customers, on request language continue, company position?
5:46:45 PM	Vice Chairman Chandler - witness Note: Sacre, Candace	Conroy Customers not know provision?
5:47:04 PM	Vice Chairman Chandler - witness Note: Sacre, Candace	Conroy 2018 case, billing May 1 2019?
5:47:19 PM	Vice Chairman Chandler - witness Note: Sacre, Candace	Conroy Anything company do language on bill inform customers right to waive late fee once a year?
5:47:46 PM	Vice Chairman Chandler - witness Note: Sacre, Candace	Conroy Ask Bellar, company commit change language default or let more people know?
5:48:23 PM	Vice Chairman Chandler - witness Note: Sacre, Candace	Conroy In charge filing of annual report?
5:48:45 PM	Vice Chairman Chandler - witness Note: Sacre, Candace	Conroy Commission requires company file annual report?
5:49:06 PM	Vice Chairman Chandler - witness Note: Sacre, Candace	Conroy Blake last year files affidavit due on March 15 all information for company previous year, requirement that utility provide name, title, salary every exec officer over \$50,000, aware?
5:49:44 PM	Vice Chairman Chandler - witness Note: Sacre, Candace	Conroy Pulls info from FERC form?
5:49:50 PM	Vice Chairman Chandler - witness Note: Sacre, Candace	Conroy Only filed name and title but not salary, why?
5:50:07 PM	POST-HEARING DATA REQUEST Note: Sacre, Candace Note: Sacre, Candace	BLAKE AFFIDAVIT NOT PROVIDE SALARY INFORMATION VICE CHAIRMAN CHANDLER - WITNESS CONROY
5:50:30 PM	Vice Chairman Chandler - witness Note: Sacre, Candace	Conroy Companies identified costs of SEEM in test year???????
5:50:57 PM	Vice Chairman Chandler - witness Note: Sacre, Candace	Conroy Less than \$10,000 a company?
5:51:35 PM	Vice Chairman Chandler - witness Note: Sacre, Candace	Conroy Bellar expectation additional costs?
5:51:54 PM	Vice Chairman Chandler - witness Note: Sacre, Candace	Conroy How company intend account for those?

5:52:41 PM	Vice Chairman Chandler - witness Note: Sacre, Candace	Conroy Netted against revenues?
5:53:11 PM	Vice Chairman Chandler - witness Note: Sacre, Candace	Conroy Expectation vary with particular sales purchase, other than that until rate case customers recover?
5:53:58 PM	Vice Chairman Chandler - witness Note: Sacre, Candace	Conroy Direct testimony, change in way refer to variable fuel expenses, those to revise to be actual fuel expenses fixed and nonvariable?
5:56:11 PM	Vice Chairman Chandler - witness Note: Sacre, Candace	Conroy Discuss actual variable fuel expenses to actual fuel expenses fixed and variable?
5:56:33 PM	Vice Chairman Chandler - witness Note: Sacre, Candace	Conroy Seem to be same thing variable and actual fuel expenses?
5:58:07 PM	Vice Chairman Chandler - witness Note: Sacre, Candace	Conroy Data request discussed coal train?
5:59:15 PM	Vice Chairman Chandler - witness Note: Sacre, Candace	Conroy Reading (Click on link for further comments.) Right?
5:59:31 PM	Vice Chairman Chandler - witness Note: Sacre, Candace	Conroy Use less coal over time incur less lease expense rail cars?
5:59:57 PM	Vice Chairman Chandler - witness Note: Sacre, Candace	Conroy How variable trying to be with definition, per unit basis?
6:00:38 PM	Vice Chairman Chandler - witness Note: Sacre, Candace	Conroy Per unit of measure, whatever may be, what mean by variable?
6:01:18 PM	Vice Chairman Chandler - witness Note: Sacre, Candace	Conroy Pg 47 Direct, EDR Admin 327, talking about making more clear adhere Admin 327, provision for retention EDRs?
6:02:34 PM	Vice Chairman Chandler - witness Note: Sacre, Candace	Conroy 7 through 14, affidavit rate discount retaining load, draft affidavit available?
6:03:09 PM	Vice Chairman Chandler - witness Note: Sacre, Candace	Conroy Provided draft in this case?
6:03:43 PM	POST-HEARING DATA REQUEST Note: Sacre, Candace Note: Sacre, Candace	RATE DISCOUNT RETAINING LOAD AFFIDAVIT DRAFT VICE CHAIRMAN CHANDLER - WITNESS CONROY
6:03:57 PM	Vice Chairman Chandler - witness Note: Sacre, Candace	Conroy CSR, fiscal curtailment and buy through?
6:04:49 PM	Vice Chairman Chandler - witness Note: Sacre, Candace	Conroy How often look to ensure adequate cover costs incurred, contributing to other customers?
6:05:24 PM	Vice Chairman Chandler - witness Note: Sacre, Candace	Conroy Review those to ensure appropriately covering, offsetting costs for customers?
6:06:18 PM	Vice Chairman Chandler - witness Note: Sacre, Candace	Conroy Formula calculates cost company running CTs?
6:07:00 PM	Vice Chairman Chandler - witness Note: Sacre, Candace	Conroy Cost to serve varies, all factors accounted for in buy-through formula?
6:07:55 PM	Vice Chairman Chandler - witness Note: Sacre, Candace	Conroy Asked Sinclair, told me to ask you, cost justified. Make sure that is the case?
6:08:36 PM	Vice Chairman Chandler - witness Note: Sacre, Candace	Conroy Response Staff 3-15, not being consideration other SEEM in OSS mechanism, anticipation file tariff filing requesting change?

6:09:26 PM	Vice Chairman Chandler - witness Note: Sacre, Candace	Conroy Don't think OSS current form needs amended accomodate costs expect to incur?
6:09:53 PM	Chairman Schmitt Note: Sacre, Candace	Questions?
6:10:06 PM	Commissioner Mathews - witness Note: Sacre, Candace	Conroy Examination. Duplication of rate cases and paper, preparation, attention to detail company and staff two sets of data requests, any movement on that, rate parity, don't recall benefits being discussed rate case as one company?
6:12:18 PM	Commissioner Mathews - witness Note: Sacre, Candace	Conroy Didn't address benefits at all, more joint testimony than in past, legal regulatory filing notices in general?
6:13:32 PM	Commissioner Mathews - witness Note: Sacre, Candace	Conroy Response, accounting records separate, benefits maybe not thinking about not running the data runs twice, not just physically, one set of records harvest from?
6:14:36 PM	Commissioner Mathews - witness Note: Sacre, Candace	Conroy When replacing IT infrastructure?
6:14:56 PM	Commissioner Mathews - witness Note: Sacre, Candace	Conroy SEEM transactional costs run through FAC, all other costs next rate case, order of magnitude of costs?
6:16:32 PM	Commissioner Mathews - witness Note: Sacre, Candace	Conroy Concern transparency of process of bulletin board and transaction within SEEM, other venues, think there is sufficient level of transparency Commission comfortable with SEEM in general?
6:18:50 PM	Chairman Schmitt Note: Sacre, Candace	Questions?
6:19:40 PM	Chairman Schmitt Note: Sacre, Candace	Recess until 9 am.
6:20:07 PM	Session Ended	

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