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**PPL companies**

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October 30, 2020

**Re: *The Application of PPL Corporation, E.ON AG, E.ON US Investments Corp., E.ON U.S. LLC, Louisville Gas and Electric Company and Kentucky Utilities Company for Approval of an Acquisition of Ownership and Control of Utilities***  
**Case No. 2010-00204**

Dear Mr. Chandler:

Pursuant to the Commission's Order of September 30, 2010, in the above-referenced proceeding, Louisville Gas and Electric Company and Kentucky Utilities Company (collectively "the Companies") hereby file an update on the adoption and implementation of best practices at the Companies pursuant to Appendix C, Regulatory Commitment No. 12 of that Order. Lastly, pursuant to the Commission's Order dated March 16, 2020 for Case No. 2020-00085, specifically Ordering Paragraph No. 4, the Companies are submitting this information via e-mail to [PSCED@ky.gov](mailto:PSCED@ky.gov).

This filing marks the tenth annual Best Practices report filed by the Companies. As the sharing of best practices has now been built into the Companies' normal business operations, the Companies respectfully request the Commission to accept this report as a successful completion of the regulatory requirement and grant the Companies relief from this reporting requirement going forward. The Commission granted similar relief from a different report in 2016. *See* Order of October 25, 2016, Case No. 2016-00359.

Should you have any questions, please do not hesitate to contact me.

Sincerely,

A handwritten signature in blue ink that reads "Rick E. Lovekamp".

Rick E. Lovekamp

On November 1, 2010, Louisville Gas and Electric Company (“LG&E”) and Kentucky Utilities Company (“KU”) (collectively “the Companies”) became indirect wholly owned subsidiaries of PPL Corporation (“PPL”), when PPL acquired all of the outstanding limited liability company interests in the Companies’ direct parent, LG&E and KU Energy LLC (“LKE”) from E.ON US Investments Corp. LKE, a Kentucky limited liability company, also owns LG&E and KU, utilities engaged in the generation, transmission, distribution and sale of electric energy in Kentucky and Virginia.

Since 2010, LG&E and KU have continued working with PPL and other affiliates to seek best practice approaches to specific areas of their utility operations and shared services divisions. The sharing of best practices at the beginning of this acquisition provided savings for each entity. This practice now serves as a way for each entity to share knowledge as they work on providing reliable, safe energy at a reasonable cost to our customers and best-in-sector returns to our shareowners. Following is a summary of best practice initiatives that have been implemented or are currently in process.

The spread of COVID-19 has led to global economic disruption and volatility in financial markets. LG&E and KU along with PPL have taken significant steps to mitigate the potential spread of COVID-19 to our customers, suppliers and employees. PPL has successfully implemented its company-wide pandemic plan, which guides the emergency response. Business continuity and other precautionary measures have been taken to ensure the Companies can continue to safely provide reliable electricity and gas service to customers. The Companies have implemented social distancing measures for all employees including work from home arrangements where possible and continue to implement strong physical and cyber security measures to ensure that systems function effectively to serve operational and remote workforce needs. The Companies continue to monitor developments affecting their workforces and customers and will take additional actions as appropriate to respond to changing conditions and mitigate the impacts.

### ***Customer Service***

The customer services operational teams continued its exchange with PPL around managing its comprehensive operations and customer experiences. The teams met face-to-face or by telephone conference. They compared processes, reviewed metrics, shared organizational structure, and discussed experiences with vendors and system functionality.

The advanced meter leadership team has exchanged industry movements and best practices within the smart meter space. This information sharing practice promotes cross-company knowledge with positive insights into process, program, and evaluation.

The Facility Services team exchanged information relating to the safety and cleaning of facilities in this time of the COVID-19 pandemic.

These efforts continue to validate our shared core values around safety, commitment to customer service, operational discipline, and performance excellence.

### ***Operations***

The electric transmission and distribution operations teams continued collaborative efforts on safety, reliability, operations, emergency restoration and fleet management. These collaborative efforts continue to validate LKE's existing business processes, and confirmed a similar culture of safety, commitment to customer service and operational focus.

The Safety function conducts semi-annual WebEx meetings to communicate legislative changes, industry trends, incident reviews, and best practices. These meetings allow LKE and PPL to share information and increase efficiency.

LKE and PPL continue to provide each other with a solid network of contacts to discuss topics applicable to the industry and efforts to enhance safety performance.

### ***Information Technology***

The Companies and PPL continue to optimize combined spend for IT vendors, participate in joint IT vendor workshops, optimize use of similar reporting systems, and share lessons learned. An overall PPL cyber security framework enables implementation of information protection strategies based on risk and asset profiles.

### ***Procurement***

On-going collaboration between the groups continues by leveraging individual company strengths, industry best practices and focused spend aggregation opportunities across PPL and LKE.

### ***Other Areas***

LKE's Financial Reporting department continues to coordinate joint U.S. Securities and Exchange Commission ("SEC") filings for its three SEC registrants, including LG&E and KU, along with PPL's two Pennsylvania registrants. Through this process, LKE personnel collaborate on technical accounting matters and best practices for monitoring and implementing technical developments with their counterparts in Pennsylvania including the recently issued guidance surrounding the accounting for credit losses. Additionally, LKE and PPL personnel collaborate on technical accounting matters at FERC including the upcoming XBRL electronic filing requirements for Forms 1, 3-Q, and 60 to ensure consistent practices across the enterprise.

The funds set aside for pensions by LG&E and KU are held in a master trust that includes the assets of PPL's other domestic pension plan assets. By consolidating the funds, the trust is able to negotiate lower investment management fees than would be possible by LG&E and KU alone.

LKE and PPL personnel continue to collaborate on federal and state tax matters to ensure compliance with various laws and regulations.

LKE's Sarbanes-Oxley ("SOX") Compliance department continues to work with its respective counterparts at other PPL subsidiaries to pursue best practices. A centralized function for SOX program governance continues to improve accountability, transparency and consistency.

Attorneys for PPL and LKE participate in routine status calls to discuss legal matters impacting the entities and a variety of legal topics. Individual LKE attorneys participate in regular communications with PPL counterparts to discuss specialty subject areas, including regulatory issues, litigation, and general corporate matters.

LKE's Corporate Communications department continues to collaborate with PPL regularly on news and information for employees across the PPL enterprise, particularly for PPL's quarterly employee and retiree magazine, Dimensions. In addition, the communications groups continue to meet on an as needed basis to discuss content and forms of corporate and employee communications.