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May 26, 2009

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MAY 27 2009

PUBLIC SERVICE  
COMMISSION

Docket Clerk  
Public Service Commission  
211 Sower Boulevard  
Frankfort, Kentucky 40601

Re: Administrative Case No. 2008-00169

Dear Docket Clerk:

Please find for filing the original and ten (10) copies of the Comments of Intervenors Regarding Compliance Filings of Electric Utilities in the above-referenced Administrative Case. All parties have been served. Thanks very much.

Cordially,

Tom FitzGerald  
Counsel for Intervenors

COMMONWEALTH OF KENTUCKY  
BEFORE THE PUBLIC SERVICE COMMISSION

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MAY 27 2009

PUBLIC SERVICE  
COMMISSION

In the Matter of:

INTERCONNECTION AND NET METERING )  
GUIDELINES FOR RETAIL ELECTRIC ) ADMINISTRATIVE  
SUPPLIERS AND QUALIFYING ) CASE NO. 2008-00169  
CUSTOMER-OWNED GENERATORS )

**COMMENTS OF INTERVENORS REGARDING  
COMPLIANCE FILINGS OF ELECTRIC UTILITIES**

By Order dated April 24, 2009, the Commission established the effective dates of the proposed net metering tariffs for each electric utility, suspended the tariffs until dates certain, and established a review period for the parties with a thirty (30) day comment period.

In conformity with that Order, Intervenors provide these comments concerning the compliance of the individual jurisdictional utilities with the net metering guidelines mandated by SB 83 and adopted by the Commission as Appendix A to the January 8, 2009 Commission Order in this case. Intervenors' comments concerning the compliance status of each proposed tariff follow, referenced by the utility name. For any utility **not** listed below, Intervenors did not identify areas where the proposed tariff departed from the required guidelines; however to the extent that Intervenors overlooked such departures, the utilities are obligated by statute to conform the tariffs **to** those guidelines by SB 83.

**Big Sandy RECC**

Level 2 application fee should be capped at \$100, not \$200.

**Fleming-Mason Energy**

Language revision needed to indicate that cost for a Level 2 application is capped at \$100.

**Taylor County RECC**

It is unclear from the filed tariff whether applications may be filed electronically. Also, the tariff does not provide for establishment of the training protocol for line workers on the location and use of the EDS, as required in the Commission's guidelines at pp. 12 and 20.

**LG&E / KU**

The proposed tariffs fail in numerous respects to meet the requirements of the guidelines. Unlike the filings of the other jurisdictional utilities, which track closely the language and structure of the Commission's guidelines, these two tariffs contain numerous departures from the guidelines, and should be rejected by the Commission so that the utilities may file tariffs that (a) include the language that was agreed upon by all parties and (b) explain and justify the use of any language that departs from the Commission guidelines.

As is clear from the Commission guidelines, there are only certain areas in which the individual utilities had discretion to depart from the guideline text because of the unique circumstances of the individual utilities, and those areas are limited to

- a. variations in language concerning the type of meter that will be used by the utility to enable net metering; Guidelines p. 2,
- b. billing details; Guidelines p. 2;
- c. allowing electronic applications; Guidelines p. 3;
- d. whether to require an application fee for Level 2; Guidelines p. 6.

Among the more troubling aspects of the proposed filing by LG&E and KU are these:

- The “availability” language in the Guidelines is not incorporated in full into the tariffs, including the capacity of the system being **rated** capacity of 30 kw, and additional language such as “total fuel source” are added. Additionally, the 1% peak load requirement and the obligation to seek PSC approval before denying net metering to customers above this threshold has not been incorporated.

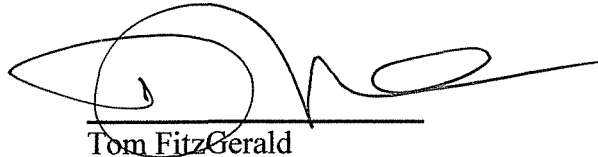
- The “metering and billing” section fails to state clearly that LG&E and KU **shall** provide net metering services, and that such services are available “without any cost to the Customer for metering equipment” as are required by the Guidelines, p.2.

- The “net metering service interconnection guidelines” fail to incorporate and limit the terms and conditions as required by the Commissions Guidelines at pp. 6-9.

- The tariffs fail to provide that a training protocol will be developed for line workers regarding the EDS. Since LG&E / KU are requiring EDS, they are obligated under the Guidelines to develop that training protocol.

It is unclear why LG&E and KU, having participated in the development of a detailed set of net metering guidelines and interconnection requirements, would fail to provide a tariff that would track, both in structure and textually, the agreed-upon and Commission-adopted language and conditions. The legislative intent in enacting SB 83 was to standardize and streamline the interconnection process and to encourage expanded use of net metering. These proposed tariffs, by failing to incorporate all of the requirements of the Commission guidelines with respect to the application process, metering, availability and interconnection guidelines, and by including extraneous descriptive phrases that could be read to limit the availability of net metering, fall short of

what is required by the Commission's Order. The proposed filings should be rejected and LG&E / KU required to file revised tariffs conforming textually to the Commission guidelines, except where deviations are allowed to account for utility-specific billing and metering practices.



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#### **CERTIFICATE OF SERVICE**

I hereby certify that the original and 10 copies of these Comments of Intervenors Regarding Compliance Filings of Electric Utilities have been mailed by overnight delivery service for filing with the Commission, that a telefaxed copy of same was sent to the Commission, and that a true and correct copy has been served by first-class mail upon the Service List by mailing same to the following individuals this 26<sup>th</sup> day of May, 2009:

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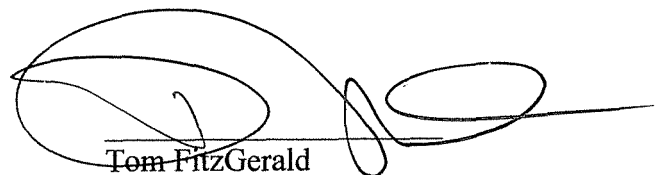
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