Matthew G. Bevin Governor

Charles G. Snavely Secretary Energy and Environment Cabinet



Commonwealth of Kentucky
Public Service Commission

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

> Robert Cicero Vice Chairman

June 9, 2017

PARTIES OF RECORD

Re: Case No. 2016-00370 and 2016-00371

Minutes of the Information Session and Public Meeting

Madisonville Community College

April 12, 2017

Attached is a copy of the memorandum summarizing the public meeting held April 12, 2017, in Madisonville, Kentucky, which is being filed in the record of the above-referenced case. If you have any questions, please contact David Spenard, Staff Attorney, at 502-782-2580.

Sincerely,

Talina R. Mathews Executive Director

DES/ph

Attachments



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 AND FOR CERTIFICATES OF PUBLIC CONVENIENCE AND NECESSITY))))	CASE NO. 2016-00370
ELECTRONIC APPLICATION OF LOUISVILLE GAS AND ELECTRIC COMPANY FOR AN ADJUSTMENT OF ITS ELECTRIC AND GAS RATES AND FOR CERTIFICATES OF PUBLIC CONVENIENCE AND NECESSITY)))))	CASE NO. 2016-00371

MINUTES OF THE INFORMATION SESSION AND PUBLIC MEETING MADISONVILLE COMMUNITY COLLEGE HEALTH SCIENCES CAMPUS MADISONVILLE, KENTUCKY APRIL 12, 2017, 5:30 P.M.

A public information session and public meeting was held at Madisonville Community College, Health Sciences Campus, in Madisonville, Kentucky, on April 12, 2017. Andrew Melnykovych, Director of Communications for the Public Service Commission, conducted the information session introducing the Commission and Commission Staff, and he explained the procedure and protocol for the information session and public hearing. Mr. Melnykovych then presented an overview of the legal basis, criteria and review process for the Commission's consideration of applications for proposed rate increases. The presentation included a general overview of the instant

application, explained which aspects of this case are within the Commission's jurisdiction, and concluded with a question-and-answer period.

At the conclusion of the information session and after a short intermission, Vice Chairman Robert Cicero, initiated the public hearing portion of the meeting, provided a brief overview of the case at bar and the parties involved, and explained the procedure and protocol for the taking of comments. Vice Chairman Cicero then invited the public to make comments to the Commission regarding the Kentucky Utilities Company ("KU") application for an adjustment in rates to increase adjusted annual revenue from electric rates by approximately \$103.1 million, a Certificate of Public Convenience and Necessity ("CPCN") for full deployment of Advance Metering Systems ("AMS"), and a CPCN for a Distribution Automation ("DA") project. Vice Chairman Cicero stated the Commission would also receive comments on Louisville Gas & Electric Company's ("LG&E") application in Case No. 2016-00371. The following individuals spoke¹ at the public meeting:

1. <u>Charlotte Whittaker:</u> Ms. Whittaker thanked the Commission for having a meeting in western Kentucky to hear concerns. She stated she is the President of AARP Kentucky and a KU customer. She stated AARP had 470,000 members in Kentucky and many of the members are on fixed income, or are low-income customers. She stated AARP recommends, for the KU and LG&E rate cases, no increase in the monthly customer charges and rejection of the plan to give every customer a new meter. She stated the proposed rate increase is too high, increasing the fixed charge discourages conservation and energy efficiency, and the Commission should keep the

¹ These Minutes summarize the comments of each speaker. The complete comments of each speaker are available for review in the video recording of the public meeting that is in the public record for the case.

customer charge at its current rate. She stated she serves on the Board of Audubon Area Community Services, which implements the LIHEAP program. From January 9, 2017, to March 31, 2017, 611 families in Ohio County were in crisis and within four days of having their electricity disconnected. She stated LIHEAP is not included in President Trump's budget. She stated that, if the rates are approved, seniors will have to decide between food, medicine, and keeping their house warm.

- 2. Mitch Harris: Mr. Harris stated there are a number of issues with the AMI plan. He stated revenue for smart metering companies have been flat, and while the meters have a service life of 20 years, planned obsolescence of the meters is a concern. He stated Meade County installed AMI meters in 2007, and filings in 2016, indicated that the meters installed are obsolete and in need of replacement. He stated the utility company will simply apply for a rate increase if the meters become obsolete before the end of their service life. He stated the old meters last for decades and AMI meters do not save energy. He stated the ultimate purposes of the AMI meters are recoding time-of-use and enabling a prepaid meter system. He stated customers will pay more under time-of-use rates and customers will lose protections through a prepaid meter system. He stated his household energy use had declined 37 percent in the last five years while KU's rates have increased 72 percent in the last decade.
- 3. <u>Linda Tapp</u>: Ms. Tapp thanked the Commission for the opportunity to comment. She stated she is a KU customer and recently retired. She stated she has been pleased with her KU bill because it is reasonably priced. She stated she uses less electricity than the average person and, even though she is very efficient with her energy use, the proposed rates will raise her bill because of the change in the base rate

and not because of the amount of usage. She stated the base rate should not be doubled. She stated she does not like smart meters and the meters will be out-of-date by the time they are installed.

- 4. <u>Cary Davis</u>: Mr. Davis thanked the Commission for having a meeting in western Kentucky and providing the opportunity for comment. He stated he has a narrow issue, the rate options that should be available for sports field lighting. He wants to raise the awareness of this issue to the Commission. He discussed billings for various facilities including facilities not served by KU. He wants the Commission to consider rates other than the power service rate for sports field lighting because sports fields are not similar to commercial and industrial loads.
- 5. Taresa Linton: Ms. Linton thanked the Commission for the event. Ms. Linton stated she is a KU customer and has not had any complaints. She has a child in Illinois and, by comparison to her child's service in Illinois, is very appreciative for having KU service. She stated she has concerns about the rate increase and the implementation of smart meters. She asked the Commission to deny the application due to the lack of effort by KU to supply accurate and simple facts concerning the new technology. She stated if the Commission grants the request, the increase will have a down effect on fixed income homes, coal towns, single parent homes, and seniors. She stated if the Commission grants the request, it should allow customers an opt-out option on the additional charges and fees that are subject to KU's discretion.
- 6. <u>Debbie Tompkins</u>: Ms. Tompkins passed on the opportunity to provide comment.

- 7. Nena Matheny: Ms. Matheny thanked the Commission. She stated she was speaking against smart meters. She stated she is used to the periodic increases from KU that are not as unusual or concerning as smart meters. She stated she is aware of smart meters being installed by another electric company and there have been significant increases in their energy bills. She stated she is opposed to these meters because the ones in use by another company do not seem to be functioning correctly and create a hardship for those customers.
- 8. <u>Valerie Gentry</u>: Ms. Gentry stated she is not a KU customer and is a Kenergy Corporation ("Kenergy") customer. She stated she had been invited to the meeting by KU customers because they have seen what Kenergy customers have gone through after the installation of AMI meters. She stated the Commission, in deciding the matter, should consider individuals and groups who provide information in addition to information provided by the utility. She stated KU should start with the facts up front and educate customers. Further, she indicated the approach would solve a lot of problems. She stated she was told that smart meters are no different from analog meters, and she does not think that the statement is correct. She stated that smart meters do not reduce usage and she minds when she is not being metered properly. She stated her hope that KU will treat its customers better than other utility companies have treated their customers, including her.
- 9. <u>Kenneth Gentry</u>: Mr. Gentry passed on the opportunity to provide comment.

10. <u>Rebeka Stokes</u>: Ms. Stokes stated her family is struggling to pay their bills and she has a concern whether people like her will be able to pay their bills if there is a rate increase.

11. Ron Harris: Mr. Harris stated he is a Social Security recipient, receives a pension from Indiana, and his benefits from these two sources are not increasing. He stated he supports three members of his family and any increase hurts his budget. He stated smart meters scare him to death. He conveyed that he knows a customer who had a bill of \$200 for a vacant house that increased to \$600 after installation of a smart meter on the house. He stated this type of event is happening throughout that part of Kentucky. He stated smart meters do not work and the PSC will have to increase rates again in five years for more smart meters. He stated the current meters, which have been there for 30 years, are working just fine.

No other member of the public wished to make a comment. The public hearing was then adjourned. All persons in attendance were asked to sign in and provide their home address for the record. The sign-in sheet is attached hereto as Appendix A.

APPENDIX A

APPENDIX A TO A PUBLIC MEETING SUMMARY OF THE KENTUCKY PUBLIC SERVICE COMMISSION IN CASE NO. 2016-00370 AND CASE NO. 2016-00371 DATED

PUBLIC MEETING - SIGN-IN SHEET

Case No. 2016-00370 - Kentucky Utilities Co. rate case

Madisonville - April 12, 2017

Name	Address	DO YOU WISH
	(K.U.)	TO SPEAK?
1 (N A (tony)	JONES	_YES (NO)
2 (MStal Kell	er	YES NO
3 Joe Keelin		
1 harlotto	14 hittaker	YES NO
5 Chill Lathons	7 6 NG	YES NO
1 / O	One Cynalth St.	Ley Ky. YES (NO)
6 Lit Fratt	- One Quarity St.	Lex Ry YES NO
7 Mitch Harris		VES NO
8 RONALD R	2.1thrais	YES XO
9 Derek Rabn		
10_L/nda tana	7	
	-	YES NO



PUBLIC MEETING - SIGN-IN SHEET

Case No. 2016-00370 – Kentucky Utilities Co. rate case Madisonville - April 12, 2017

Name	Address	DO YOU WISH	
	·	TO SPEAK?	
1 Jene Bearden	•	YES NO	
2 Landy Bearden	<u> </u>	YES NO)
3 Sandra Ogleske	,	YES NO	ļ
4 Mary Ellen Wimberry Sto	oll keenon Ogden, PLLC	YES NO	
5 David Freibist		YES NO)
6 Neesha Belt		YES NO	
7. Sto Wells	' (YES (NO	
8 Con David		YES NO	
9 Trany Breto			
× 5		YES (NO)	
10 Gic Betzinger		YES (NO)	ŀ

PUBLIC MEETING - SIGN-IN SHEET

Case No. 2016-00370 - Kentucky Utilities Co. rate case

Madisonville - April 12, 2017

Name	Address	DO YOU WISH
\sim \sim \sim \sim \sim \sim		TO SPEAK?
1 Cau Uguely	•	YES (NO)
2 Eric Evans		YES NO
3 LEANN EVANS		-YES NO
4 DUAIW COANS		YES NO
5 Haita Dummers		
6 laresalmon		YES NO
7 Debbie Tomp Kins	((=====	YES NO
8 Jena Mathena		
9 Valerie Gentry		
10 KNEWETTK GEORGE	_	YES NO
		YES NO

PUBLIC MEETING - SIGN-IN SHEET

Case No. 2016-00370 – Kentucky Utilities Co. rate case Madisonville - April 12, 2017

Name	Address	DO VOLLWIOLI
	, iaa 1000	DO YOU WISH TO SPEAK?
		10 OI LAK:
1 TintonpKir	"	YES (NO
2 Kepelah Stoles	·	YES NO
3 Tuna han		
	- .	YES (NO)
4 Macey My Dee	<u>-</u> .	YES NO
5_ Alentin Melsee		
6 Malisca Hames		YES NO
6 Melissa Hamson		YES (NO)
7 JASON Adamson		YES NO
	_	·
8 Lone Hendrix	-	NO) V
9		VEC. NO
10		YES' NO
10		YES NO

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