

COMMONWEALTH OF KENTUCKY  
BEFORE THE PUBLIC SERVICE COMMISSION

In the Matter of:

ELECTRONIC APPLICATION OF LOUISVILLE	)	
GAS AND ELECTRIC COMPANY FOR	)	CASE NO.
APPROVAL OF REVISED GAS LINE TRACKER	)	2024-00039
RATES EFFECTIVE FOR SERVICES	)	
RENDERED ON AND AFTER MAY 1, 2024	)	

ORDER

On March 1, 2024, Louisville Gas and Electric Company (LG&E) submitted an application to revise rates for its Gas Line Tracker Adjustment Clause (GLT) effective May 1, 2024, pursuant to the Commission’s Order in Case No. 2012-00222<sup>1</sup> approving the GLT program and associated rates. LG&E’s previous revised GLT rates were approved by the Commission in Case No. 2023-00066.<sup>2</sup> There are no intervenors in this proceeding. This case now stands submitted for decision.

LEGAL STANDARD

KRS 278.509 states that “[n]otwithstanding any other provision of law to the contrary, upon application by a regulated utility, the commission may allow recovery of costs for investment in natural gas pipeline replacement programs which are not

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<sup>1</sup> Case No. 2012-00222, *Application of Louisville Gas and Electric Company for an Adjustment of its Electric and Gas Rates, a Certificate of Public Convenience and Necessity, Approval of Ownership of Gas Service Lines and Risers, and a Gas Line Surcharge* (Ky. PSC Dec. 20, 2012).

<sup>2</sup> Case No. 2023-00066, *Electronic Application of Louisville Gas and Electric Company for Approval of Revised Gas Line Tracker Rates Effective for Services Rendered on and After May 1, 2023* (Ky. PSC Apr. 28, 2023).

recovered in the existing rates of a regulated utility. No recovery shall be allowed unless the costs shall have been deemed by the commission to be fair, just, and reasonable.”

### DISCUSSION

The Commission, in its June 30, 2021 Order in Case No. 2020-00350, approved the removal of completed transmission related projects from LG&E’s GLT mechanism.<sup>3</sup> In Case No. 2023-00066, LG&E’s GLT rates included only a true-up component for the transmission related portion, as there were no gas transmission projects currently eligible to be recovered through the GLT.<sup>4</sup> In accordance with LG&E’s prior GLT rate adjustment filing, LG&E’s proposed GLT rates have reduced the transmission credit to zero.

Based upon its application, LG&E’s forecasted revenue requirement eligible for recovery under its GLT mechanism related to distribution projects for 2024 is \$10,901,464.<sup>5</sup> During 2023, LG&E had a total under-collection of \$3,012,615 related to its distribution related projects.<sup>6</sup> The under-collection includes a \$514,064 correction to GLT Leak Mitigation program gas plant placed into service for November and December 2022, which was inadvertently excluded from its prior year filing.<sup>7</sup> LG&E also reported that the 2022 actual GLT revenue requirement filed in Case No. 2023-00066 was

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<sup>3</sup> Case No. 2020-00350, *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* (Ky. PSC June 30, 2021) at 67–68.

<sup>4</sup> Case No. 2023-00066, *Electronic Application of Louisville Gas and Electric Company for Approval of Revised Gas Line Tracker Rates Effective for Services Rendered on and After May 1, 2023* (Ky. PSC Apr. 28, 2023), Order at 2 and 3.

<sup>5</sup> Application, Exhibit 2.

<sup>6</sup> Application, Exhibit 2.

<sup>7</sup> Application, Exhibit 3 at 2, footnote; and at 3, footnote.

understated by \$5,115.<sup>8</sup> However, LG&E stated it would forgo collecting the amount since it would be beneficial for its customers.<sup>9</sup> LG&E proposes to include the \$3,012,615 as a charge to its 2024 revenue requirement in order to collect through its GLT the balancing adjustment for 2023.

In order to aid in the timely review of LG&E's GLT rate application, the Commission finds that all future applications filed by LG&E for a revision in GLT rates shall continue to include an electronic version of the supporting calculations and exhibits used to compute the GLT rates in Excel spreadsheet format with all formulas intact and unprotected, and with all columns and rows accessible.

Having reviewed the evidence of record and being otherwise sufficiently advised, the Commission finds that the information contained in LG&E's filing is in sufficient detail to support the reasonableness of LG&E's revised GLT rates.

IT IS HEREBY ORDERED that:

1. The GLT rates in the Appendix to this Order are approved for service rendered by LG&E on and after May 1, 2024.
2. LG&E's future applications for a revision in GLT rates shall include an electronic version containing the supporting calculations and exhibits used to compute the GLT rates in Excel spreadsheet format with all formulas, rows, and columns unprotected and fully accessible.
3. Within 20 days of the date of service of this Order, LG&E shall file with this Commission, using the Commission's electronic Tariff Filing System, revised tariff sheets

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<sup>8</sup> Application at 3.

<sup>9</sup> Application at 3.

setting out the rates approved herein and reflecting that they were approved pursuant to this Order.

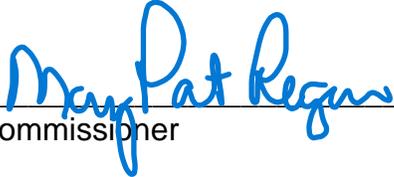
4. This case is closed and removed from the Commission's docket.

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PUBLIC SERVICE COMMISSION

  
Chairman

  
Vice Chairman

  
Commissioner

ENTERED  
APR 30 2024 rcs  
KENTUCKY PUBLIC  
SERVICE COMMISSION

ATTEST:

  
Executive Director

APPENDIX

APPENDIX TO AN ORDER OF THE KENTUCKY PUBLIC SERVICE  
COMMISSION IN CASE NO. 2024-00039 DATED APR 30 2024

The following rates and charges are prescribed for the customers in the area served by Louisville Gas and Electric Company. All other rates and charges not specifically mentioned herein shall remain the same as those in effect under the authority of the Commission prior to the effective date of the Order.

Gas Line Tracker Rates:

	Distribution Projects <u>(\$/delivery point)</u>	Transmission Projects <u>(\$/Ccf)</u>
RGS, VFD	\$ 2.60	\$ 0.00000
CGS, SGSS	\$ 13.01	\$ 0.00000
IGS, AAGS, DGGS	\$ 177.94	\$ 0.00000
FT, LGDS	\$ 0.00	\$ 0.00000

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