

COMMONWEALTH OF KENTUCKY  
BEFORE THE PUBLIC SERVICE COMMISSION

In the Matter of:

AN ELECTRONIC EXAMINATION OF THE	)	
APPLICATION OF THE FUEL ADJUSTMENT	)	CASE NO.
CLAUSE OF LOUISVILLE GAS & ELECTRIC	)	2023-00011
COMPANY FROM NOVEMBER 1, 2020	)	
THROUGH OCTOBER 31, 2022	)	

ORDER

The Commission, pursuant to 807 KAR 5:056, Section 3(4), established this case by Order issued on September 6, 2023, to review and evaluate the operation of the Fuel Adjustment Clause (FAC) of Louisville Gas & Electric Company (LG&E) for the two-year period from November 1, 2020, through October 31, 2022. That Order also incorporated by reference the records in cases reviewing the six-month periods set forth in Case Nos. 2022-00039<sup>1</sup> and 2022-00266<sup>2</sup> and found that the Commission would conclude its review of these prior six-month FAC review cases in the present two-year case. Furthermore, the Order established that an evidentiary hearing would be held that would consider the record of the two-year FAC review proceeding and the ongoing case Nos. 2022-00039 and 2022-00266. That hearing was held in the two-year review case on January 4, 2024. There are no intervenors in these proceedings.

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<sup>1</sup> Case No. 2022-00039, *An Electronic Examination of the Application of the Fuel Adjustment Clause of Louisville Gas & Electric Company from May 1, 2021 Through October 31, 2021.*

<sup>2</sup> Case No. 2022-00266, *An Electronic Examination of the Application of the Fuel Adjustment Clause of Louisville Gas & Electric Company from November 1, 2021 Through April 30, 2022.*

The Commission, having reviewed the records of Case No. 2022-00039, Case No. 2022-00266, and the six-month periods incorporated by reference in Case No. 2023-00011 hereby, on its own motion, finds that the matter of the ongoing prior six-month FAC review cases now stands submitted for a decision on the written record. The present Order concludes Case Nos. 2022-00039 and 2022-00266 as discussed herein.

Case No. 2022-00039: May 1, 2021, through October 31, 2021

The Commission, pursuant to 807 KAR 5:056, Section 3(3), established this case by Order issued on March 31, 2022, to review and evaluate the operation of the FAC of LG&E for the six-month period of May 1, 2021 through October 31, 2021.<sup>3</sup> As part of this review, LG&E responded to three rounds of discovery and one post-hearing request for information. A hearing was held on August 4, 2022. On December 1, 2023, a copy of the Case No. 2023-00011 Order incorporating the record of Case No. 2022-00039 was attached and filed into the record. A review of LG&E's monthly FAC filings shows that the fuel costs incurred for the six months under review ranged from a low of \$0.02318 per kWh in May 2021 to a high of \$0.02564 per kWh in October 2021 with a six-month average of \$0.02397 per kWh.<sup>4</sup>

Having considered the evidence of record and being otherwise sufficiently advised, the Commission finds no evidence of improper calculation or application of LG&E's FAC charges or improper fuel procurement practices.

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<sup>3</sup> Case No. 2022-00039, *An Electronic Examination of the Application of the Fuel Adjustment Clause of Louisville Gas & Electric Company from May 1, 2021 Through October 31, 2021* (Ky. PSC Mar. 31, 2022), Order.

<sup>4</sup> The FAC rates are based on the expense month for each month of the review period.

Case No. 2022-000266: November 1, 2021, through April 30, 2022

The Commission, pursuant to 807 KAR 5:056, Section 3(3), established this case by Order issued on September 13, 2022, to review and evaluate the operation of the FACs of LG&E for the six-month period of November 1, 2021, through April 30, 2022.<sup>5</sup> As part of this review, LG&E responded to two requests for information from Commission Staff. On December 4, 2023, a copy of the Case No. 2023-00011 Order incorporating the record of Case No. 2022-00266 was attached and filed into the record. A review of LG&E's monthly FAC filings shows that the fuel costs incurred for the six months under review ranged from a low of \$0.02604 per kWh in November 2021 to a high of \$0.02860 per kWh in January 2022 with a six-month average of \$0.02688 per kWh.<sup>6</sup>

Having considered the evidence of record and being otherwise sufficiently advised, the Commission finds no evidence of improper calculation or application of LG&E's FAC charges or improper fuel procurement practices.

IT IS THEREFORE ORDERED that:

1. The charges and credits billed by LG&E through its FAC from May 1, 2021, through October 31, 2021, are approved.
2. The charges and credits billed by LG&E through its FAC from November 1, 2021, through April 30, 2022, are approved.
3. A copy of this Order shall be entered into the record in Case Nos. 2022-00039 and 2022-00266.

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<sup>5</sup> Case No. 2022-00266, *An Electronic Examination of the Application of the Fuel Adjustment Clause of Louisville Gas & Electric Company from November 1, 2021 Through April 30, 2022* (Ky. PSC Sept. 13, 2022), Order.

<sup>6</sup> The FAC rates are based on the expense month for each month of the review period.

PUBLIC SERVICE COMMISSION

  
Chairman

  
Vice Chairman

  
Commissioner

ATTEST:

  
Executive Director

ENTERED  
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KENTUCKY PUBLIC  
SERVICE COMMISSION

\*Andrea M. Fackler  
Manager, Revenue Requirement  
LG&E and KU Energy LLC  
220 West Main Street  
Louisville, KENTUCKY 40202

\*Honorable Allyson K Sturgeon  
Managing Senior Counsel - Regulatory &  
LG&E and KU Energy LLC  
220 West Main Street  
Louisville, KENTUCKY 40202

\*Robert Conroy  
Vice President, State Regulation and Rates  
LG&E and KU Energy LLC  
220 West Main Street  
Louisville, KENTUCKY 40202

\*Louisville Gas and Electric Company  
220 W. Main Street  
P. O. Box 32010  
Louisville, KY 40232-2010