Leah Justin Wellborn

From: "Phil Hayet" <philhaye@concentric.net>
Date: Monday, October 27, 2014 4:26 PM

To: "Leah Justin Wellborn" <LWellborn@jkenn.com>

Attach: AFB Presentation for PSC-New1.ppt
Subject: FW: FW: Fuel Adjustment Clause

----- Original Message -----

Subject:FW: Fuel Adjustment Clause Date:Fri, 27 Jun 2014 12:58:33 -0400

From:Michael Kurtz < MKurtz@bkllawfirm.com>

To:'Lane Kollen' kollen@jkenn.com, "'Brian R. Barber'" kollen@jkenn.com, Kurt Boehm KBoehm@bkllawfirm.com>

Michael L. Kurtz, Esq. BOEHM, KURTZ & LOWRY 36 E. Seventh St., Suite 1510 Cincinnati, Ohio 45202

Ph: 513.421.2255 Fax: 513.421.2764 E-mail: mkurtz@BKLlawfirm.com

From: Conroy, Robert [mailto:Robert.Conroy@lge-ku.com]

Sent: Friday, June 27, 2014 12:19 PM **To:** Michael Kurtz; Sturgeon, Allyson **Subject:** RE: Fuel Adjustment Clause

Attached is the presentation on AFB given to the KPSC Staff in 2001. The general process of AFB remains the same today.

Robert M. Conroy

Director, Rates LG&E and KU Services Company (502) 627-3324 (phone) (502) 627-3213 (fax) (502) 741-4322 (mobile)

robert.conroy@lge-ku.com

From: Michael Kurtz [mailto:MKurtz@bkllawfirm.com]

Sent: Friday, June 27, 2014 9:33 AM

To: Sturgeon, Allyson **Cc:** Conroy, Robert

Subject: Fuel Adjustment Clause

Allyson.

Yesterday there was a KPSC Informal Conference about Kentucky Power's Fuel Adjustment Clause. The meeting triggered a lengthy discussion about how KPC allocates fuel costs to off-system sales. In the next six month FAC review cases all utilities are likely to get questions about this as Staff wants to understand how all jurisdictional utilities are handling the allocation.

Do you have a few minutes for a call where I can explain the details?

Michael L. Kurtz, Esq. BOEHM, KURTZ & LOWRY 36 E. Seventh St., Suite 1510 Cincinnati, Ohio 45202

Ph: 513.421.2255 Fax: 513.421.2764 E-mail: mkurtz@BKLlawfirm.com

Leah Justin Wellborn

"Phil Hayet" <philhaye@concentric.net>

Monday, October 27, 2014 4:24 PM

From:

Date:

To: "Leah Justin Wellborn" <LWellborn@jkenn.com> FW: KY-PSC Electronic Filing Center Notification Case: 2014-00227 Subject: > ----Original Message-----> From: Conroy, Robert [mailto:Robert.Conroy@lge-ku.com] > Sent: Thursday, August 28, 2014 12:56 PM > To: Michael Kurtz; Sturgeon, Allyson > Subject: RE: KY-PSC Electronic Filing Center Notification Case: > 2014-00227 > Essentially, yes. > Robert M. Conroy > Director, Rates > LG&E and KU Services Company > (502) 627-3324 (phone) > (502) 627-3213 (fax) > (502) 741-4322 (mobile) > robert.conroy@lge-ku.com > > > ----Original Message----> From: Michael Kurtz [mailto:MKurtz@bkllawfirm.com] > Sent: Thursday, August 28, 2014 11:50 AM > To: Sturgeon, Allyson > Cc: Conroy, Robert > Subject: RE: KY-PSC Electronic Filing Center Notification Case: > 2014-00227 > So I think this means that retail customers and KU's FERC wholesale > customers basically pay the same FAC rate. Which would make sense > since the Kentucky FAC and FERC FAC are basically the same, and since > both groups pay a full cost of service rate for generation. > Michael L. Kurtz, Esq. > BOEHM, KURTZ & LOWRY

```
> 36 E. Seventh St., Suite 1510
> Cincinnati, Ohio 45202
> Ph: 513.421.2255 Fax: 513.421.2764
> E-mail: mkurtz@BKLlawfirm.com
> ----Original Message----
> From: Sturgeon, Allyson [mailto:Allyson.Sturgeon@lge-ku.com]
> Sent: Thursday, August 28, 2014 11:47 AM
> To: Michael Kurtz
> Cc: Conroy, Robert
> Subject: RE: KY-PSC Electronic Filing Center Notification Case:
> 2014-00227
>
> Mike -
> Fuel costs related to off-system sales are excluded from the calculation.
> KU's FERC wholesale customers (the munis) are considered native load
> for the purpose of determining the fuel rate on Page 1. However, we
> only apply that rate to retail customers. On Page 5 when determining
> the over/under, we only consider what was collected from retail
> customers. The FERC wholesale customers have their own FAC under
> which we recover the fuel cost associated with energy consumption.
> Robert - please let me know if I have misstated anything. Allyson
>
> ----Original Message----
> From: Michael Kurtz [mailto:MKurtz@bkllawfirm.com]
> Sent: Thursday, August 28, 2014 11:07 AM
> To: Sturgeon, Allyson
> Subject: RE: KY-PSC Electronic Filing Center Notification Case:
> 2014-00227
>
> Allyson.
> Hopefully you can answer this. For FAC purposes, are KU's
> all-requirements FERC wholesale customers treated as "native load" or
"off-system sales."
> Michael L. Kurtz, Esq.
> BOEHM, KURTZ & LOWRY
> 36 E. Seventh St., Suite 1510
> Cincinnati, Ohio 45202
```

```
> Ph: 513.421.2255 Fax: 513.421.2764
> E-mail: mkurtz@BKLlawfirm.com
> ----Original Message-----
> From: Sturgeon, Allyson [mailto:Allyson.Sturgeon@lge-ku.com]
> Sent: Wednesday, August 27, 2014 1:21 PM
> To: Michael Kurtz
> Subject: FW: KY-PSC Electronic Filing Center Notification Case:
> 2014-00227
> Importance: High
>
> Mike -
    Attached is a link to the data responses KU filed in its FAC
> proceeding today. Thanks, Allyson
>
> ----Original Message-----
> From: pscfilings@ky.gov [mailto:pscfilings@ky.gov]
> Sent: Wednesday, August 27, 2014 1:04 PM
> To: pscfilings@ky.gov; mcwhelan@ky.gov; Sturgeon, Allyson; Lovekamp,
> Rick; Staton, Ed; Conroy, Robert
> Subject: KY-PSC Electronic Filing Center Notification Case: 2014-00227
> Importance: High
>
> Confirmation of Posting.
> This notification is sent regarding the recent filing for case#:
> 2014-00227 on 8/27/2014 at 1:04 PM
>
> Filed By:Robert M. Conroy
> Date/Time Filed:8/27/2014 12:58:30 PM
>
> The following documents have been accepted and posted to the
> Electronic Case
> File:
> file description
> Read1st-KU_filing_letter.pdf READ 1st - Cover Letter
> Petition_for_Confidential_Treatment.pdf Petition for
```

Confidential > Protection > KU_Formatted_1st_DR_V1_due_8-27-14_Final_Filed.pdf Responses of > KU to Data Requests > Posted filing information may be accessed at > http://psc.ky.gov/efs/efs_search.aspx?case=2014-00227 > SERVICE LIST COPY > ------ The information contained in > this transmission is intended only for the person or entity to which > it is directly addressed or copied. It may contain material of > confidential and/or private nature. Any review, retransmission, > dissemination or other use of, or taking of any action in reliance > upon, this information by persons or entities other than the intended > recipient is not allowed. If you received this message and the information contained therein by error, please contact the sender and delete the material from your/any storage medium. > > > ------ The information contained in > this transmission is intended only for the person or entity to which > it is directly addressed or copied. It may contain material of > confidential and/or private nature. Any review, retransmission, > dissemination or other use of, or taking of any action in reliance > upon, this information by persons or entities other than the intended > recipient is not allowed. If you received this message and the > information contained therein by error, please contact the sender and delete the material from your/any storage medium. > > ----- The information contained in > this transmission is intended only for the person or entity to which > it is directly addressed or copied. It may contain material of > confidential and/or private nature. Any review, retransmission, > dissemination or other use of, or taking of any action in reliance > upon, this information by persons or entities other than the intended > recipient is not allowed. If you received this message and the > information contained therein by error, please contact the sender and

delete the material from your/any storage medium.

>

>