

COMMONWEALTH OF KENTUCKY
BEFORE THE PUBLIC SERVICE COMMISSION

In the Matter of:

ELECTRONIC JOINT APPLICATION OF)	
LOUISVILLE GAS AND ELECTRIC)	
COMPANY AND KENTUCKY UTILITIES)	
COMPANY FOR CERTIFICATES OF)	CASE NO. 2018-00005
PUBLIC CONVENIENCE AND NECESSITY)	
FOR FULL DEPLOYMENT OF ADVANCED)	
METERING SYSTEMS)	

**LOUISVILLE GAS AND ELECTRIC COMPANY
AND KENTUCKY UTILITIES COMPANY'S
RESPONSE TO ATTORNEY GENERAL'S
MOTION TO AMEND PROCEDURAL SCHEDULE**

Louisville Gas and Electric Company (“LG&E”) and Kentucky Utilities Company (“KU”) (collectively “the Companies”), pursuant to 807 KAR 5:001 Section 5(2), hereby respond to, and ask the Commission to deny, the Motion to Amend the Procedural Schedule (“Motion”) filed with the Kentucky Public Service Commission (“Commission”) on January 30, 2018, by the Attorney General of the Commonwealth of Kentucky (“AG”).

The Commission’s January 26, 2018 Scheduling Order in this proceeding was clear when it stated, “The Commission does not look favorably upon motions for continuance. Accordingly, motions for extensions of time with respect to the schedule herein shall be made in writing and will be granted only upon a showing of good cause.”¹ Yet the AG’s Motion states no cause at all to support his request for what amounts to a six-week continuance of the entire procedural schedule the Commission just established. Instead, the Motion asserts it does not matter when the Companies’ proposed opt-out rates go into effect, essentially asking the Commission to disregard the statutory requirements for addressing rate applications. Indeed, only by referring

¹ Scheduling Order at 3.

back to the AG's January 25 motion asking the Commission to issue a procedural schedule is any justification for a delay provided, namely that the Commission is currently addressing a large number of cases, including cases in which the AG is involved. But surely the Commission was well aware of both its own caseload and the AG's January 25 motion when it issued its January 26 Scheduling Order; it nonetheless established an appropriate procedural schedule to dispose of the Companies' Joint Application in a timely manner. In other words, the AG has provided no reason of which the Commission was not already fully cognizant when it issued the Scheduling Order, and certainly the AG has not stated good cause, to continue all the dates in the procedural schedule of this case by six weeks. Therefore, the Commission should deny the AG's Motion as failing to meet the Scheduling Order's continuance requirements.

In addition, delaying the Commission's just-established procedural schedule in this proceeding by six weeks would negatively impact customers by delaying the benefits of the deployment of AMS. In addition to providing millions of dollars of net-present-value benefits and hundreds of millions of dollars of nominal benefits, full AMS deployment will also provide numerous customer service benefits to customers. If the procedural schedule in this matter is delayed as the AG requests, customers will not receive these significant benefits as soon as possible.

Finally, the AG's assertion about the complexities of the AMS proposal should not delay the procedural schedule. The Commission is already familiar with the Companies' AMS proposal, having reviewed it in the Companies' 2016 base rate cases.² As described in John Malloy's testimony filed with the Joint Application in this case, there are no fundamental

² *In the Matter of: Application of Kentucky Utilities Company for an Adjustment of its Electric Rates and for Certificates of Public Convenience and Necessity*, Case No. 2016-00370, Application and Testimony of John P. Malloy (Nov. 23, 2016); *In the Matter of: 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, Application and Testimony of John P. Malloy (Nov. 23, 2016).

differences between the AMS deployment proposed in this proceeding and the Companies' proposal for AMS deployment in the Companies' 2016 base rate cases.³ Further, as the AG's Motion recognizes, the Commission has recently reviewed and approved Duke Energy Kentucky's advanced metering deployment and is thus familiar with the technology and benefits of AMS.⁴ Moreover, the Commission recently expeditiously approved the request of Clark Energy Cooperative, Inc. for full deployment of advanced metering infrastructure ("AMI"), issuing a final order approving the request less than six months after Clark filed its application.⁵ Similarly, the Commission approved Nolin Electric Cooperative Corporation's request for approval of the installation of an AMI system within two months after Nolin filed its application.⁶ Notably, the order stated that Commission Staff had been committed to processing the case as quickly as possible so Nolin could meet a contract deadline to lock in system pricing, helping to ensure benefits for Nolin's customers.⁷ In other cases, the Commission issued a final order approving a full AMI deployment for Fleming-Mason Energy, Inc. in less than three months,⁸ and approved the purchase and installation of an AMI system for Kenergy Corp. in less than four months.⁹ The Companies therefore believe the Commission is more than capable of

³ Direct Testimony of John P. Malloy at 7.

⁴ *In the Matter of: Application of Duke Energy Kentucky, Inc. for (1) a Certificate of Public Convenience and Necessity Authorizing the Construction of an Advanced Metering Infrastructure; (2) Request for Accounting Treatment; and (3) All Other Necessary Waivers, Approvals, and Relief*, Case No. 2016-00152, Order (May 25, 2017).

⁵ *In the Matter of: Application of Clark Energy Cooperative, Inc. for a Certificate of Convenience and Necessity to Install an Advanced Metering Infrastructure (AMI) System*, Case No. 2016-00220, Order at 1 (Dec. 22, 2016) (noting the application was filed June 27, 2016).

⁶ *In the Matter of: Application of Nolin Electric Cooperative Corporation for an Order Pursuant to 807 KAR 5:001 and KRS 278.020 Requesting the Granting of a Certificate of Public Convenience and Necessity to Install an AMI System*, Case No. 2014-00436, Order (Feb. 13, 2015) (noting the application was filed December 15, 2014).

⁷ *Id.* at 2.

⁸ *In the Matter of: Application of Fleming-Mason Energy, Inc. for a Certificate of Convenience and Necessity to Install an Advanced Metering Infrastructure System*, Case No. 2012-00361, Order at 1 (Oct. 11, 2012) (noting the application was filed August 1, 2012).

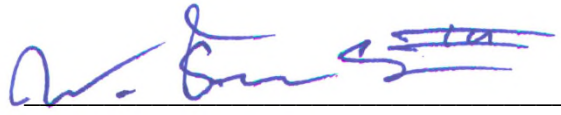
⁹ *In the Matter of: Application of Kenergy Corp. for an Order Issuing a Certificate of Convenience and Necessity to Install an Automated Metering and Infrastructure System*, Case No. 2014-00376, Order (Feb. 24, 2015) (noting the application was filed October 27, 2014).

completing its review of the Companies' AMS deployment on the procedural schedule the Commission itself just established.

WHEREFORE, Louisville Gas and Electric Company and Kentucky Utilities Company respectfully ask the Kentucky Public Service Commission to deny the Attorney General's Motion to Amend the Procedural Schedule, leaving in place the procedural schedule set forth in the Commission's January 26, 2018 Scheduling Order.

Dated: February 1, 2018

Respectfully submitted,



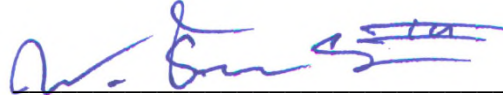
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CERTIFICATE OF COMPLIANCE

In accordance with 807 KAR 5:001 Section 8(7), this is to certify that Louisville Gas and Electric Company and Kentucky Utilities Company's February 1, 2018 electronic filing is a true and accurate copy of the documents being filed in paper medium; that the electronic filing was transmitted to the Commission on February 1, 2018; that there are currently no parties that the Commission has excused from participation by electronic means in this proceeding; and that an original and six copies in paper medium of the filing are being mailed by first class U.S. Mail, postage prepaid, to the Commission on February 1, 2018.

A handwritten signature in blue ink, appearing to read "A. G. ...", is written above a horizontal line.

*Counsel for Louisville Gas and Electric
Company and Kentucky Utilities Company*