

**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 A CERTIFICATE OF PUBLIC) CASE NO. 2018-00005
CONVENIENCE AND NECESSITY FOR FULL)
DEPLOYMENT OF ADVANCED METERING SYSTEMS)**

**RESPONSE OF METROPOLITAN HOUSING COALITION
TO COMMISSION STAFF'S INITIAL REQUEST FOR INFORMATION
DATED MAY 29, 2018**

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Dated: June 5, 2018

RESPONSE TO COMMISSION STAFF'S REQUEST FOR INFORMATION TO
METROPOLITAN HOUSING COALITION
CASE NO 2018-00005

Question 1. Refer to Direct Testimony of Cathy Hinko (Hinko Testimony), page 11 which states, "if the cost/benefit horizon were extended to 25 years instead of 20, it would completely change the ratio of costs to savings to ratepayers". Explain whether Ms. Hinko is suggesting that the Commission should find that, if the AMS request is approved, LG&E should be authorized to depreciate the AMS meters over 25 years.

Answer: No, the expected life of the meters is 20 years and MHC does not suggest a longer time for depreciation than in the filings.

What MHC was expressing was that most of the meters would be installed in a short time span, and with a life expectancy of 20 years, there would be another huge expense to ratepayers after 20 years. The Commission should consider that consequence in deciding the true monetary benefits to ratepayers. An alternative would be to factor in a 'reserve for replacement' cost each year after 16 years to get a true cost/benefit analysis as the Commission considers the AMS request.

Question 2. Refer to Hinko Testimony, pages 7 and 13, which discuss the constraints that exist for low-income persons to access the proposed web-based portal. Explain whether MHC is aware of other methods of communicating a household's energy use that could assist low-income

households in adjusting their energy consumption pattern in order to realize significant savings.

Answer: At this time MHC does not have any suggestions. In fact, MHC noticed that, due to budget constraints, the current Louisville budget presented to Louisville Metro Council would cut down on expenditures for computers and computer training programs at the Main Branch of the Louisville Free Public Library making it harder for lower income persons to access the free computers.

While MHC cannot see the future, the elimination of “net neutrality” could cause a significant increase in costs for data usage or slow access to data.

However, MHC would be very willing to work with the Commission, LG&E and other groups to try to make access more available if the Commission approves AMS.

Question 3. Refer to Hino Testimony, page 13, which states “MHC has shown that access to the data by low-income person is not as easy as was stated by LG&E”. Also refer to Hinko Testimony, Exhibit 2, which is a printout from a website with information the Cricket cell phone plans.

- a. Explain the basis for selecting Cricket cell phone plans to demonstrate costs for cell phone data.
- b. Explain whether MHC reviewed cell phone data plans offered by Lifeline providers.

Answer:

- a. MHC was looking for an example of a plan with two elements: prepaid and no credit check. These are essential elements for those with lower-incomes. MHC did not review every plan, but MHC includes as Exhibit A to this testimony a photo from a Walgreens taken on June 5, of the two plans that MHC saw offered with those features. The emphasis was on how needing a plan that was prepaid and did not require a credit check was more costly.
- b. Lifeline is allotted one per family to meet all the family needs. While it is \$9.95 per month for a household with income at or below 135 % of poverty – for a family of three that is \$37,872. That also means that three people would be using that service, including perhaps two school age children. That is not a lot of service for a family of three and decisions on how to the data must be made. The prepaid plans offer more data usage than the current 1GB for Lifeline.

Respectfully submitted,



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CERTIFICATE OF SERVICE

This is to certify that electronic version of the Response of Metropolitan Housing Coalition to Commission Staff's Initial Request For Information is a true and accurate copy of the same document being filed in paper medium; that the electronic filing has been transmitted to the Commission on June 5, 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 6 copies in paper medium of the Response of Metropolitan Housing Coalition to Commission Staff's Initial Request For Information will be delivered by priority mail within two (2) business day of June 5, 2018 to the Commission.



Tom FitzGerald