

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.
CONVENIENCE AND NECESSITY FOR FULL) 2018-00005
DEPLOYMENT OF ADVANCED METERING SYSTEMS)

ATTORNEY GENERAL’S MOTION FOR A PROCEDURAL SCHEDULE

Comes now, the Attorney General of the Commonwealth of Kentucky, Andy Beshear, by and through his Office of Rate Intervention and moves the Kentucky Public Service Commission (“Commission”) to set a procedural schedule in this matter, and in support of his motion, the Attorney General states as follows:

The Application for a Full Deployment of Advanced Metering Systems (“Application”) was filed jointly by Louisville Gas and Electric Company and Kentucky Utilities Company (“Joint Applicants”) on January 10, 2018. The Application was filed along with testimony and exhibits of several witnesses on behalf of the Joint Applicants. The Attorney General moved for intervention on January 10, 2018, and was granted such intervention on January 12, 2018. On January 19, 2018, the Commission filed into the record a letter stating that the Commission Staff had reviewed the Application and that it met the minimum filing requirements and had been accepted for filing.¹ No procedural schedule has been set in this matter.

¹ PSC No Deficiency Letter, Case No. 2018-00005 (Ky. PSC Jan. 19, 2018) p. 1.

KRS Chapter 278.190 provides the procedure for when new rate schedules are filed with the Commission. Although the case at hand does include proposed tariff changes, those changes (and accompanying deviations) are dependent on whether or not the Joint Applicants receive their requested Certificates of Public Convenience and Necessity (“CPCN”). KRS 278.190 (3) explicitly provides that with regard to the reasonableness of proposed rate schedules, “the commission shall give to the hearing and decision of such questions preference over other questions pending before it and decide the same as speedily as possible.” The current Application turns on the CPCNs, and if the CPCNs are denied, the tariff changes and deviations are moot. Although the law does not provide a time period in which CPCNs must be decided, KRS 278.190 nevertheless has significant bearing on how this Application should be processed, regardless of the fact that it is not an ordinary rate proceeding.

The Chairman recently commented from the bench as to the current backlog of cases before the Commission in which KRS 278.190 would apply. The Chairman noted, “[w]e have a lot of cases going forward and coming into the bottom of the funnel within the next month or two . . . and we’ve got Duke Energy, [they] have come in with a rate case, and Louisville Gas and & Electric and Kentucky Utilities have come in with a DSM case, and all of these others”² These major rate cases are all in addition to the two parallel cases regarding the impact of the recent, once-in-a-generation, changes to the Federal tax code involving nine (9) investor owned utilities, as well as the Joint Applicant’s own DSM case.³

² Case No. 2017-00097, January 11, 2018 VTE 12:54:18; The Attorney General is aware of at least one additional major investor owned rate case, in *Electronic Application of Atmos Energy Corporation for an Adjustment of Rates and Tariff Modification*, Case No. 2017-00349 (Ky. PSC September 28, 2017).

³ See *Electronic Investigation of the Impact of The Tax Cuts And Job Act on the Rates of Atmos Energy Corporation, Delta Natural Gas Company, INC., Columbia Gas of Kentucky, INC., Kentucky-American Water Company, and Water Service Corporation of Kentucky*, Case No. 2017-00481 (Ky. PSC December 27, 2017); *Kentucky Industrial Utility*

Furthermore, the Commission has set procedural schedules significantly further in the future for cases that are not required by law to be decided within a proscribed time, likely in consideration of the number of cases before the Commission that mandate a decision be made sooner rather than later. For instance, in Case No. 2017-00384, with an Order dated November 9, 2017, the Commission set the date for the first round of discovery for Big Rivers IRP for June 22, 2018, although the Application was filed September 21, 2017. Here, the Commission should consider the number of cases before it that implicate rates, and their statutory duty to give those cases preference in setting the procedural schedule in this matter.

The Commission should not entertain the Joint Applicants' preference for an order by June 1, and should instead follow its own precedent. The only other major investor-owned utility in Kentucky which has received a CPCN for system-wide deployment of AMI capable meters is Duke Energy. In Duke Energy's CPCN case for system-wide deployments, the Commission's decision came exactly 13 months after the application was filed. Such an outcome likely evidences two things: 1) CPCNs for smart meters take a back seat to pending rate cases, and 2) given the complexity of major AMI CPCNs, the Commission and parties are justified in taking the requisite time to properly review the applications for consideration. Given the Commission's extensive docket of rate cases which much be ruled on within a proscribed time (and the subsequent increased workload within the AG's office due to his involvement in those pending cases), as well as the Commission's past precedent, the Attorney General requests the Commission set a procedural schedule in this matter with a

Customers INC., Complainant v. Kentucky Utilities Company, Louisville Gas and Electric Company, Kentucky Power Company, Duke Energy Kentucky, INC., Defendants, Case No. 2017-00477 (Ky. PSC December 21, 2017); *Electronic Joint Application of Louisville Gas and Electric and Kentucky Utilities Company for Review, Modification, and Continuation of Certain Existing Demand-Side Management and Energy Efficiency Programs*, Case No. 2017-00441 (Ky. PSC December 6, 2017).

deadline of April 1, 2018 (at the earliest) for all initial requests for information to the Joint Applicants to be filed.

Respectfully submitted,

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