COMMONWEALTH OF KENTUCKY

BEFORE THE PUBLIC SERVICE COMMISSION

-	4 1	Th. 45		· ·
113	tho	10/	Offor	Ott
111	unc	TAT	atter	VI.

ELECTRONIC EXAMINATION BY THE PUBLIC)	
SERVICE COMMISSION OF THE ENVIRONMENTAL)	
SURCHARGE MECHANISM OF KENTUCKY)	CASE NO. 2018-00051
UTILITIES COMPANY FOR THE SIX-MONTH)	
BILLING PERIOD ENDING OCTOBER 31, 2017)	

MOTION OF KENTUCKY UTILITIES COMPANY FOR CLARIFICATION OF JUNE 28, 2018 ORDER

Pursuant to KRS 278.400, Kentucky Utilities Company ("KU") respectfully moves the Kentucky Public Service Commission ("Commission") to clarify its June 28, 2018 Order ("Order") in this proceeding. Beginning on page 1 of the testimony of Derek A. Rahn and shown in Exhibit DAR-1 filed on March 14, 2018, the Company requested approval of proposed changes to its monthly ES Forms 2.00 and 2.01 to properly account for the amortization of excess accumulated deferred income taxes ("ADIT") with gross-up. The proposed change will more accurately demonstrate that the deferred tax expense reduction associated with the amortization of excess ADIT should be grossed up and included as a reduction to the operating expense component of the ECR mechanism. As part of the settlement agreement in the pending Tax Complaint in Case No. 2018-00034, KU committed to proposing modifications to its monthly ES Forms to allow for the return of excess ADIT. The Commission has historically approved changes to a utility's ES forms, and in fact did so recently in a KU ECR Plan case.¹

¹ In the Matter of: ELECTRONIC APPLICATION OF KENTUCKY UTILITIES COMPANY FOR A CERTIFICATE OF PUBLIC CONVENIENCE AND NECESSITY AND APPROVAL OF AMENDMENT TO ITS 2016 COMPLIANCE PLAN FOR RECOVERY BY ENVIRONMENTAL SURCHARGE, Case No. 2017-00483, Order of July 9, 2018, p. 14.

WHEREFORE, Kentucky Utilities Company respectfully requests that the Commission clarify its June 28, 2018 Order in this proceeding, to expressly approve the proposed changes to KU's ES Forms 2.00 and 2.01.

Dated: July 13, 2018

Respectfully submitted,

Allyson K. Sturgeon

Managing Senior Counsel -Regulatory & Transactions LG&E and KU Energy LLC

220 West Main Street

Louisville, Kentucky 40202

Telephone: (502) 627-2088

Counsel for Kentucky Utilities Company