

**COMMONWEALTH OF KENTUCKY
BEFORE THE PUBLIC SERVICE COMMISSION**

In the matter of: : CASE NO. 2018-00294

APPLICATION OF KENTUCKY UTILITIES :
COMPANY FOR AN ADJUSTMENT OF ITS :
ELECTRIC RATES :

In the matter of:

ELECTRONIC APPLICATION OF :
LOUISVILLE GAS AND ELECTRIC : CASE NO. 2018-00295
COMPANY FOR AN ADJUSTMENT OF ITS :
ELECTRIC AND GAS RATES :

**KENTUCKY SCHOOL BOARDS ASSOCIATION’S
POST-HEARING BRIEF**

Comes the Kentucky School Boards Association (“KSBA”), by counsel, and submits the following post-hearing brief:

As previously indicated KSBA supports the settlement agreement executed by the parties in this matter including the Addendum to Stipulation and Recommendation. KSBA worked in conjunction with Kentucky Utilities (“KU”) and Louisville Gas and Electric Company (“LG&E”) here to arrive a resolution to avoid Commission disfavored cost-shifts.¹

As addressed in the Addendum to Stipulation and Recommendation ², KU and LG&E agreed to a rate design concession for Power Service (Rate PS) aiding low load factor ratepayers such as K-12 public and private schools by, “recover(ing) more of the revenue increase through

¹ See, e.g. the reasoning in a separate matter in the Order Grating Rate Adjustment, page 57-59, dated January 18, 2018, *Electronic Application of Kentucky Power Company For (1) A General Adjustment of Rates of Electric Service; (2) An Order Approving Its 2017 Environmental Compliance Plan; (3) An Order Approving Its Tariffs and Riders; (4) An Order Approving Accounting Practices to Establish Regulatory Assets and Liabilities; and (5) An Order Approving All other Approvals and Relief.*

² See, Notice of Filing of Addendum to Stipulation and Recommendation, p. 2, dated March 6, 2019.

energy charges than demand charges as compared to the Utilities’ filed allocation and rate design.”³ Witness Seelye referred to this rate design concession as a “tilt”⁴ which is commonly used in rate design and as addressed in the Addendum to Stipulation and Recommendation, “[t]his rebalancing of the energy and demand charges did not result in a cost shift to other rate schedules.”⁵

Simply put, KSBA takes no position on the “carved out” litigated matters and KSBA respectfully requests that the Commission approve the Stipulation and Recommendation in whole along with the Addendum to Stipulation and Recommendation in this matter including the rate design concession to Rate PS.

Respectfully submitted,

/s/Matt Malone

Matthew R. Malone
William H. May, III.
Hurt, Deckard & May PLLC
127 West Main Street
Lexington, Kentucky 40507
(859) 254-0000 (office)
(859) 254-4763 (facsimile)
mmalone@hdmfirm.com
bmay@hdmfirm.com

Counsel for the Petitioner,
KENTUCKY SCHOOL BOARDS ASSOCIATION

³ *Id.*

⁴ It is anticipated that there is an approximate 5% “tilt” allocating more of the rate increase to energy charges versus demand charges. While the dollar benefit here may not be the same as the now terminated K-12 Pilot School Tariff on an annual basis, KSBA hopes the “tilt” as a rate design concession continues going forward through future rate cases and perhaps may be expanded if justified.

⁵ *Id.*

CERTIFICATE OF SERVICE

I hereby certify that KSBA's March 29, 2019 electronic filing is a true and accurate copy of KSBA's pleading and Read 1st Document to be filed in paper medium; that the electronic filing has been transmitted to the Commission on March 29, 2019; that an original and one copy of the filing will be delivered to the Commission within 2 business days of March 29, 2019; that there are currently no parties excused from participation by electronic service; and that, on March 29, 2019, electronic mail notification of the electronic filing is provided to the parties of record.

/s/Matt Malone

ATTORNEY FOR KSBA