

COMMONWEALTH OF KENTUCKY
BEFORE THE PUBLIC SERVICE COMMISSION

In the Matter of:

ELECTRONIC APPLICATION OF)
KENTUCKY UTILITIES COMPANY FOR AN) CASE NO. 2018-00294
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)

NOTICE OF FILING

Kentucky Utilities Company and Louisville Gas and Electric Company hereby tender notice of their filing of the Addendum to Stipulation and Recommendation.

Dated: March 6, 2019

Respectfully submitted,




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LG&E and KU Services Company
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Louisville, Kentucky 40202
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*Counsel for Kentucky Utilities Company
and Louisville Gas and Electric Company*

CERTIFICATE OF COMPLIANCE

This is to certify that Kentucky Utilities Company and Louisville Gas and Electric Company's March 6, 2019 electronic filing 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 March 6, 2019; that there are currently no parties that the Commission has excused from participation by electronic means in this proceeding; and that an original of the Joint Motion, in paper medium, will be to the Commission no later than March 8, 2019.



Kenneth R. Niess
Counsel for Kentucky Utilities Company
and Louisville Gas and Electric Company

ADDENDUM TO STIPULATION AND RECOMMENDATION

This Addendum to Stipulation and Recommendation (“Addendum”) is entered into this 6th day of March 2019 by and between Kentucky Utilities Company (“KU”) and Louisville Gas and Electric Company (“LG&E”) (collectively, “the Utilities”); Association of Community Ministries, Inc. (“ACM”); Attorney General of the Commonwealth of Kentucky, by and through the Office of Rate Intervention (“AG”); Community Action Council for Lexington-Fayette, Bourbon, Harrison and Nicholas Counties, Inc. (“CAC”); United States Department of Defense and All Other Federal Executive Agencies (“DoD”); Kentucky Industrial Utility Customers, Inc. (“KIUC”); The Kroger Company (“Kroger”); Kentucky School Boards Association (“KSBA”); Lexington-Fayette Urban County Government (“LFUCG”); Louisville/Jefferson County Metro Government (“Louisville Metro”); Metropolitan Housing Coalition (“MHC”); and Walmart Inc. (“Walmart”). (Collectively, the Utilities, ACM, AG, CAC, DoD, KIUC, Kroger, KSBA, LFUCG, Louisville Metro, MHC, and Walmart are the “Parties.”)

W I T N E S S E T H:

WHEREAS, on March 1, 2019, the Parties entered into a Stipulation and Recommendation that was filed with the Kentucky Public Service Commission (“Commission”) on March 1, 2019;

WHEREAS, the Parties discovered that the Stipulation and Recommendation omitted certain terms agreed upon the Parties during the negotiation of the Stipulation and Recommendation; and

WHEREAS, at the commencement of the March 5, 2019 hearing, the Commission requested that the Parties file an addendum setting forth the omitted terms;

WHEREAS, this Addendum is filed as a supplement to the Stipulation and Recommendation and incorporates as if fully set forth herein the terms and conditions of same; and

NOW, THEREFORE, for and in consideration of the promises and conditions set forth herein, the Parties hereby stipulate and agree as follows:

ADDENDUM ARTICLE I. MERGER MITIGATION DEPANCAKING

1. The Utilities have filed a Joint Application at the Federal Energy Regulatory Commission (“FERC”) seeking to remove the merger mitigation de-pancaking (“MMD”) component of transmission Rate Schedule No. 402.¹ The Parties ask and recommend the Commission approve the Utilities’ use of deferral accounting treatment so that if FERC reduces or eliminates the Utilities’ MMD obligations, the Utilities will establish a regulatory liability for the reduction in costs to be addressed in the Utilities’ future base-rate proceedings.

**ADDENDUM ARTICLE II.
KSBA-RELATED RATE DESIGN ADJUSTMENT TO RATE PS**

2. The rate design shown in Stipulation Exhibits 3 (KU) and 4 (LG&E) and reflected in the tariffs shown in Stipulation Exhibits 6 (KU) and 7 (LG&E) for Power Service (Rate PS) will recover more of the revenue increase through energy charges than demand charges as compared to the Utilities’ filed allocation and rate design. This rebalancing of the energy and demand charges did not result in a cost shift to other rate schedules.

¹ Joint Application Under FPA Section 203 and Section 205 of Louisville Gas and Electric Company and Kentucky Utilities Company, FERC Docket Nos. EC98-2-00 and ER1 8-2162-000.

IN WITNESS WHEREOF, the Parties have hereunto affixed their signatures.

Kentucky Utilities Company and
Louisville Gas and Electric Company

HAVE SEEN AND AGREED:


By: 
Kendrick R. Riggs

-and-

By: 
Allyson K. Sturgeon

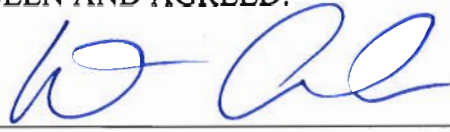
Association of Community Ministries, Inc.

HAVE SEEN AND AGREED:

By: 
Lisa Kilkelly
Eileen Ordover

Attorney General for the Commonwealth of
Kentucky, by and through the Office of Rate
Intervention

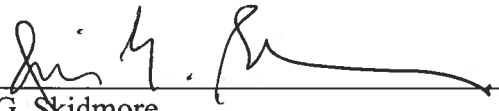
HAVE SEEN AND AGREED:

By: _____

Kent A. Chandler
Lawrence W. Cook
Rebecca W. Goodman

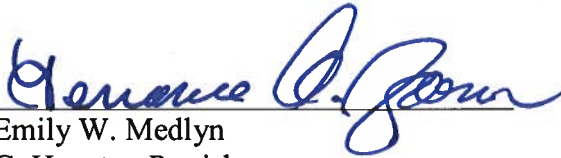
Community Action Council for
Lexington-Fayette, Bourbon, Harrison
and Nicholas Counties, Inc.

HAVE SEEN AND AGREED:

By: 
Iris G. Skidmore

United States Department of Defense and All Other
Federal Executive Agencies

HAVE SEEN AND AGREED:

By: 
Emily W. Medlyn
G. Houston Parrish
Terrance A. Spann

Kentucky Industrial Utility Customers, Inc.

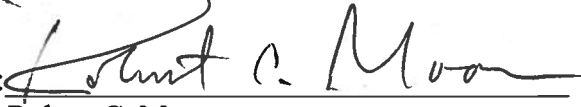
HAVE SEEN AND AGREED:

By:  _____

Michael L. Kurtz
Kurt J. Boehm
Jody Kyler Cohn


The Kroger Company

~~HAVE SEEN AND AGREED:~~

By: 
Robert C. Moore

Kentucky School Boards Association

HAVE SEEN AND AGREED:

By: 
Matthew R. Malone
William H. May, III

Lexington-Fayette Urban County Government

HAVE SEEN AND AGREED:

By: James W. Gardner

James W. Gardner
M. Todd Osterloh

*subject to approval
by LFUGG*

David J. Barberie
Andrea C. Brown
Janet M. Graham

Louisville/Jefferson County Metro Government

HAVE SEEN AND AGREED:

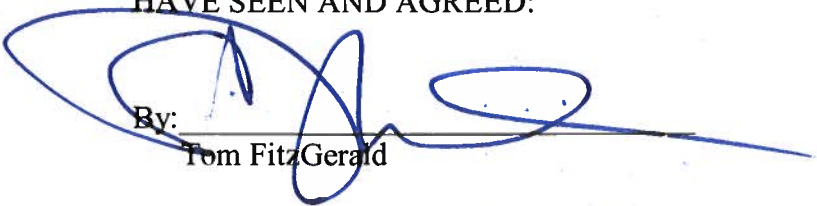
By: 

James W. Gardner
M. Todd Osterloh
Mike O'Connell

*subject to
Louisville Metro
approval*

Metropolitan Housing Coalition


HAVE SEEN AND AGREED:

A handwritten signature in blue ink, consisting of several loops and a long horizontal stroke extending to the right.

By: _____
Tom FitzGerald

Walmart Inc.

HAVE SEEN AND AGREED:

By: 
Don C. A. Parker
Mark E. Heath
Carrie H. Grundmann
Barry N. Naum