

**INTRA-AGENCY MEMORANDUM**  
**KENTUCKY PUBLIC SERVICE COMMISSION**

**TO:** Case File No. 2019-00105  
**FROM:** Andrew Bowker, Staff Attorney  
**DATE:** May 9, 2019  
**RE:** Informal Conference of April 30, 2019

On April 12, 2019, Kentucky Utilities Co. and Louisville Gas & Electric Co. as joint applicants, (jointly KU/LG&E), filed a motion to request an Informal Conference (IC) with Commission Staff to allow KU/LG&E to update the Commission on the planned expansion of the Advanced Meter Opt-In Program (Program) and the network and computer infrastructure used to support the Program. Pursuant to an order issued on April 22, 2019, an IC was conducted on April 30, 2019. Attached is a copy of the attendance roster.

Representatives from KU/LG&E offered some background to attendees regarding their purposes for requesting the IC, by stating that in PSC Case No. 2017-00441, the Commission found that the cap on the pilot opt-in AMS program should be increased from 5,000 LG&E and 5,000 KU residential and small commercial customers to 10,000 LG&E and 10,000 KU residential and small commercial customers. Although the Commission denied without prejudice KU/LG&E's joint application seeking Certificates of Public Convenience and Necessity (CPCN) for the full deployment of Advanced Metering Systems (AMS), the Commission reasoned that the increased investment in AMS will not result in wasteful duplication because the pilot program meters can be used going forward if KU/LG&E refile an application for AMS that satisfies the evidentiary requirements for a CPCN.

KU/LG&E passed out to all attendees of the IC copies of the attached packet of information and then spoke about the advantages to customers of the Opt-In Program. KU/LG&E then detailed program upgrades and demonstrated the online functions associated with AMI metering that were detailed in the handout.

KU/LG&E stated that they have found that their biggest obstacle with the Program was that of customer awareness and detailed how they have attempted to engage with their customers in a number of ways, including a recurring e-newsletter and links to YouTube videos that demonstrate to customers how to use the various functions of the MyMeter Dashboard. KU/LG&E also explained how the Companies are attempting to lower the

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<sup>1</sup> Case No. 2017-00441 Electronic Joint Application of Louisville Gas and Electric Company and Kentucky Utilities Company for Review, Modification, and Continuation of Certain Existing Demand-Side Management and Energy Efficiency Programs (Ky. PSC Oct. 5, 2018).

15 percent attrition rate that occurs when a customer leaves or moves from the system. KU/LG&E noted that rather than continuing with their past practice of automatically removing an Advanced meter when an opt-in customer moves or waiting for customers to request an Advanced Meter, they are now mentioning the Advanced Meter option, which is available at no additional cost to them, when a new customer calls to establish service. Other outreach efforts include a customer online survey panel consisting of 2,100 customer representatives. Information gathered from the survey group attempts to determine what elements encourage customers to sign up for Advanced Metering and what keeps customers engaged.

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Commission Staff and the Attorney General requested details from KU/LG&E regarding the costs of the Program such as the difference between the cost of an electro mechanical and an Advanced Meter and whether certain costs will be capitalized or expensed. In speaking about these costs, KU/LG&E noted that the Companies decided to include them in the current DSM balancing adjustment filing to mitigate the higher cost being included in the 2020 DBA. In addition, by including the cost in the 2019 DBA along with the revised balancing adjustment being a negative, customers would not see a significant variance in the DSM charge on current bills.

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KU/LG&E also reviewed their plans for, and the advantages of, a roll out of Enhanced Meter Management which will eliminate the need for multiple integration points between their Meter Data Management System and CCS and is key to managing and analyzing data from the AMS pilot, Solar Share, Net Metering and other applications. In addition, the system can be expanded at a lower cost should full deployment of Advanced Meters occur in the future.

There being no further discussion, the IC was then adjourned.

cc: Parties of Record