

## CUSTOMER NOTICE OF RATE ADJUSTMENT

PLEASE TAKE NOTICE that, in a November 25, 2020, Application, Kentucky Utilities Company (“KU”) is seeking approval by the Kentucky Public Service Commission of an adjustment of its electric rates and charges to become effective on and after January 1, 2021.

### KU CURRENT AND PROPOSED RESIDENTIAL ELECTRIC RATES

#### Residential Service – Rate RS

	<u>Current</u>	<u>Proposed</u>
Basic Service Charge per Day:	\$ 0.53	\$ 0.61
Plus an Energy Charge per kWh:		
Infrastructure:	\$ 0.05886	\$ 0.06750
Variable:	\$ 0.03077	\$ 0.03200
Total:	\$ 0.08963	\$ 0.09950

#### Residential Time-of-Day Energy Service - Rate RTOD-Energy

	<u>Current</u>	<u>Proposed</u>
Basic Service Charge per Day:	\$ 0.53	\$ 0.61
Plus an Energy Charge per kWh:		
Off-Peak Hours (Infrastructure):	\$ 0.02683	\$ 0.03312
Off-Peak Hours (Variable):	\$ 0.03077	\$ 0.03200
Off-Peak Hours (Total):	\$ 0.05760	\$ 0.06512
On-Peak Hours (Infrastructure):	\$ 0.24465	\$ 0.18924
On-Peak Hours (Variable):	\$ 0.03077	\$ 0.03200
On-Peak Hours (Total):	\$ 0.27542	\$ 0.22124

#### Residential Time-of-Day Demand Service - Rate RTOD-Demand

	<u>Current</u>	<u>Proposed</u>
Basic Service Charge per Day:	\$ 0.53	\$ 0.61
Plus an Energy Charge per kWh (Infrastructure):	\$ 0.01276	\$ 0.01276
Plus an Energy Charge per kWh (Variable):	\$ 0.03077	\$ 0.03200
Plus an Energy Charge per kWh (Total):	\$ 0.04353	\$ 0.04476
Plus a Demand Charge per kW:		
Base Hours	\$ 3.44	\$ 4.01
Peak Hours	\$ 8.90	\$10.37

KU is also proposing changes to the rates for other customer classes. These customer classes and their associated annual revenue changes are listed in the tables shown below. KU is also proposing to change the text of some of its rate schedules and other tariff provisions and to add two optional rate schedules: General Time-of-Day Energy Service (“GTOD-Energy”) and General Time-of-Day Demand Service (“GTOD-Demand”). KU’s proposed rates reflect a proposed annual increase in electric revenues of approximately 10.4%.

The estimated amount of the annual change and the average monthly bill to which the proposed electric rates will apply for each electric customer class are as follows:

<b>Electric Rate Class</b>	<b>Average Usage (kWh)</b>	<b>Annual \$ Increase</b>	<b>Annual % Increase</b>	<b>Monthly Bill \$ Increase</b>	<b>Monthly Bill % Increase</b>
Residential	1,120	68,176,839	10.68	12.85	10.67
Residential Time-of-Day	1,184	19,427	10.68	12.08	10.69
General Service	1,689	26,734,943	10.68	26.91	10.68
General Time-of-Day	New Rate Schedule				
All Electric School	25,276	1,453,830	10.68	285.86	10.68
Power Service	31,900	19,592,722	10.67	351.54	10.67
Time-of-Day Secondary	194,032	14,530,948	10.69	1,580.24	10.69
Time-of-Day Primary	1,288,759	26,942,083	10.68	8,786.08	10.68
Retail Transmission	5,852,624	8,787,141	10.68	36,613.09	10.68
Fluctuating Load Service	50,490,867	3,514,118	10.69	292,843.20	10.69
Outdoor Lights	58	(129)	0.00	0.00	0.00
Lighting Energy	3,373	18	0.01	0.02	0.01
Traffic Energy	150	2	0.00	0.00	0.00
PSA	N/A	0.00	0.00	0.00	0.00
Rider – CSR	N/A	0.00	0.00	0.00	0.00
Outdoor Sports Lighting – Pilot Program	6,800	(4,762)	(4.97)	(99.21)	(4.97)

The monthly residential electric bill increase due to the proposed electric base rates will be 10.67 percent, or approximately \$12.85, for a customer using 1,120 kWh of electricity (the average monthly consumption of a KU residential electric customer).

KU is also proposing an Economic Relief Surcredit Adjustment Clause, which will credit KU customers a total of \$1.9 million over twelve months when new rates go into effect from this proceeding. For the first twelve months of new rates following this proceeding, a \$0.00068 per kWh credit will be applied to all standard rate schedules.

KU is proposing to add an optional rider called Warranty Service for Customer-Owned Exterior Facilities. This rider permits firms that provide warranty service for the repair or replacement of customer-owned exterior electric facilities serving a KU customer's residence and connected to KU distribution facilities and that meet certain standards to use KU's billing services to obtain payment for subscribed warranty service.

KU is proposing a new net metering rate schedule, Rider NMS-2, and renaming its existing Rider NMS to be Rider NMS-1. Rider NMS-1 will serve eligible electric generating facilities as defined in KRS 278.465(2) for which customers have submitted an application for net metering service before the effective date of rates established in this proceeding. Rider NMS-2 will apply to all other net metering customers. KU is also proposing new terms and conditions for Net Metering Service Interconnection Guidelines.

KU is requesting a Certificate of Public Convenience and Necessity and other associated relief to exchange all existing non-communicating electric meters in its service area with Advanced Metering Infrastructure (AMI) meters.

KU proposes to eliminate certain Environmental Cost Recovery (“ECR”) Projects from its ECR mechanism and monthly filings on a going-forward basis, which will result in rate base costs previously included for recovery in the ECR mechanism being recovered through base rates. The reduction in ECR mechanism revenues creates a corresponding increase in base rate revenues with no change in total revenues.

### **Other Charges**

KU is proposing the following revisions to other charges in the tariff:

<b>Other Charges</b>	<b>Current Charge</b>	<b>Proposed Charge</b>
Returned Payment Charge	\$3.00	\$3.50
Meter Test Charge	\$75.00	\$79.00
Meter Pulse Charge	\$24.00	\$21.00
Disconnect/Reconnect Service Charge w/o remote service switch	\$28.00	\$37.00
Disconnect/Reconnect Service Charge w/ remote service switch	New	\$0
Unauthorized Connection Charge – without meter replacement	\$70.00	\$45.00
Unauthorized Connection Charge – for single-phase standard meter replacement	\$90.00	\$66.00
Unauthorized Connection Charge – for single-phase AMR meter replacement	\$110.00	\$87.00
Unauthorized Connection Charge – for single-phase AMI meter replacement	\$174.00	\$149.00
Unauthorized Connection Charge – for three-phase meter replacement	\$177.00	\$154.00
Advanced Meter Opt-Out Charge (One-Time)	New	\$39.00
Advanced Meter Opt-Out Charge (Monthly)	New	\$15.00
Redundant Capacity - Secondary	\$1.16	\$1.36
Redundant Capacity - Primary	\$0.99	\$0.92
EVSE – Networked Single Charger	\$132.09	\$132.09
EVSE – Networked Dual Charger	\$193.62	\$193.62
EVSE – Non-Networked Single Charger	New	\$82.86
EVSE-R – Networked Single Charger	\$121.79	\$121.79
EVSE-R – Networked Dual Charger	\$173.02	\$173.02
EVSE-R Non-Networked Single Charger	New	\$30.86
EVC-L2 – Charge per Hour for First Two Hours	\$0.75	\$0.75
EVC-L2 – Charge per Hour for Every Hour After First Two Hours	\$1.00	\$1.00
EVC-FAST – Charge per kWh	New	\$0.25
Solar Share Program Rider (One-Time)	\$799.00	\$799.00
Solar Share Program Rider (Monthly)	\$5.55	\$5.55
Excess Facilities – w/ no CIAC	1.16%	1.17%
Excess Facilities – w/ CIAC	0.47%	0.47%
TS – Temporary-to-Permanent	15%	15%
TS – Seasonal	100%	100%

A detailed notice of all proposed revisions and a complete copy of the proposed tariffs containing the proposed text changes, terms and conditions and rates may be obtained by submitting a written request by e-mail to [myaccount@lge-ku.com](mailto:myaccount@lge-ku.com) or by mail to Kentucky Utilities Company, ATTN: Rates Department, 220 West Main Street, Louisville, Kentucky, 40202, or by visiting KU's website at [www.lge-ku.com](http://www.lge-ku.com).

A person may examine KU's application at the offices of KU located at One Quality Street, Lexington, Kentucky or at the other KU business offices, and at KU's website at [www.lge-ku.com](http://www.lge-ku.com). A person may also examine this application at the Public Service Commission's offices located at 211 Sower Boulevard, Frankfort, Kentucky, Monday through Friday, 8:00 a.m. to 4:30 p.m. or may view and download the application through the Commission's Web site at <http://psc.ky.gov>.

Comments regarding the application may be submitted to the Public Service Commission by mail to Public Service Commission, Post Office Box 615, Frankfort, Kentucky 40602, or by email to [psc.info@ky.gov](mailto:psc.info@ky.gov). All comments should reference Case No. 2020-00349.

The rates contained in this notice are the rates proposed by KU, but the Public Service Commission may order rates to be charged that differ from the proposed rates contained in this notice. A person may submit a timely written request for intervention to the Public Service Commission, Post Office Box 615, Frankfort, Kentucky 40602 establishing the grounds for the request including the status and interest of the party. If the commission does not receive a written request for intervention within thirty (30) days of initial publication or mailing of this notice, the Commission may take final action on the application.

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