

COMMONWEALTH OF KENTUCKY
BEFORE THE PUBLIC SERVICE COMMISSION

In the Matter of:

ELECTRONIC APPLICATION OF KENTUCKY)	
UTILITIES COMPANY FOR AN ADJUSTMENT)	
OF ITS ELECTRIC RATES, A CERTIFICATE OF)	
PUBLIC CONVENIENCE AND NECESSITY TO)	
DEPLOY ADVANCED METERING)	CASE NO. 2020-00349
INFRASTRUCTURE, APPROVAL OF CERTAIN)	
REGULATORY AND ACCOUNTING)	
TREATMENTS, AND ESTABLISHMENT OF A)	
ONE-YEAR SURCREDIT)	

FEBRUARY 24, 2021 SUPPLEMENTAL RESPONSE OF
KENTUCKY UTILITIES COMPANY
TO
COMMISSION STAFF'S SECOND REQUEST FOR INFORMATION
DATED JANUARY 8, 2021

FILED: FEBRUARY 24, 2021

VERIFICATION

COMMONWEALTH OF KENTUCKY)
)
COUNTY OF JEFFERSON)

The undersigned, **Robert M. Conroy**, being duly sworn, deposes and says that he is Vice President, State Regulation and Rates, for Kentucky Utilities Company and Louisville Gas and Electric Company and an employee of LG&E and KU Services Company, and that he has personal knowledge of the matters set forth in the responses for which he is identified as the witness, and the answers contained therein are true and correct to the best of his information, knowledge and belief.



Robert M. Conroy

Subscribed and sworn to before me, a Notary Public in and before said County and State, this 23rd day of February 2021.



Notary Public

Notary Public ID No. 603967

My Commission Expires:

July 11, 2022

KENTUCKY UTILITIES COMPANY

**February 24, 2021 Supplemental Response to Commission Staff's
Second Request for Information
Dated January 8, 2021**

Case No. 2020-00349

Question No. 30

Responding Witness: Lonnie E. Bellar / Robert M. Conroy

- Q-30. Refer to the Bellar Testimony, page 20, regarding the Southeast Energy Exchange Market (SEEM).
- a. Explain how all costs associated with SEEM will be accounted for.
 - b. Provide all studies supporting how participation in SEEM would be favorable to KU and ratepayers.
 - c. Provide an update on all FERC filings.
 - d. Explain whether any costs associated with SEEM membership or start-up are included in the test year. State whether KU plans to recover membership or start-up costs. If so, state the mechanism through which LG&E would recover such costs (i.e., base rates, Off-System Sales tracker).
- A-30. **Original Response:**
- a. The forward test year costs were budgeted to O&M FERC account 556 and are included in the base rate revenue request in this case.
 - b. See the attached presentation provided to the Commission and Attorney General at the September 17, 2020 meeting regarding SEEM. Also see the attached cost-benefit analysis that was subsequently provided to the Commission and Attorney General following the referenced meeting.
 - c. No FERC filings have been made and the timing of any such filings is uncertain at this time.
 - d. Yes, \$13,340 is included in the test year. Any future costs associated with SEEM membership would be included as part of normal generation and transmission operating expenses in base rates.

February 24, 2021 Supplemental Response:

- c. KU made a filing with FERC (Docket No. ER21-1120-000) on February 12, 2021. Below is a link to the filing.

https://elibrary.ferc.gov/eLibrary/filelist?document_id=14928577&accessionnumber=20210212-5080

LG&E and KU also made a OATT filing at FERC (Docket No. ER21-1118-000) on February 12, 2021. Below is a link to the filing.

https://elibrary.ferc.gov/eLibrary/filelist?document_id=14928569&accessionnumber=20210212-5072