

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 INFRASTRUCTURE,) **CASE NO. 2020-00349**
APPROVAL OF CERTAIN REGULATORY)
AND ACCOUNTING TREATMENTS, AND)
ESTABLISHMENT OF A ONE-YEAR)
SURCREDIT)**

In the Matter of:

**ELECTRONIC APPLICATION OF)
LOUISVILLE GAS AND ELECTRIC)
COMPANY FOR AN ADJUSTMENT OF ITS)
ELECTRIC AND GAS RATES, A)
CERTIFICATE OF PUBLIC CONVENIENCE)
AND NECESSITY TO DEPLOY ADVANCED) **CASE NO. 2020-00350**
METERING INFRASTRUCTURE,)
APPROVAL OF CERTAIN REGULATORY)
AND ACCOUNTING TREATMENTS, AND)
ESTABLISHMENT OF A ONE-YEAR)
SURCREDIT)**

MOTION FOR DEVIATION

Pursuant to 807 KAR 5:001, Kentucky Utilities Company (“KU”) and Louisville Gas and Electric Company (“LG&E”) (collectively “the Companies”) move the Kentucky Public Service Commission (“Commission”) for an order permitting the Companies to provide abbreviated newspaper notice of their upcoming applications for rate adjustments and other relief, and permitting the production of certain documents required by 807 KAR 5:001, Section 16 only in electronic medium due to their voluminous nature. This Motion is made to reduce the costs associated with the filing of applications and to ultimately reduce the level of any rate adjustment for the Companies’ customers.

In support of this Motion, the Companies respectfully state:

1. The Companies have advised the Commission this day that each expects to file an application with the Commission for a general rate adjustment using a future test period and other related relief on or after November 25, 2020.

Method of Notice of Publication

2. 807 KAR 5:001, Section 17(2) requires a utility to provide notice to its customers of any general rate adjustment at the time of filing of its application and further sets forth the permissible form and manner of such notice. Each of the Companies has found that the most practical and cost-effective of the four methods of notice established by the regulation¹ is the publication of notice once a week for three (3) consecutive weeks in a prominent manner in a newspaper of general circulation in its service area.

3. While newspaper publication of a proposed rate adjustment is the most practical method of notice, it is a significant undertaking.² In the Companies' 2016 rate adjustment proceedings, KU published its complete notice consisting of 19 single-spaced typewritten 8½ by 11 pages in 95 newspapers; LG&E published its complete notice consisting of 35 single-spaced

¹ 807 KAR 5:001, Section 17(2)(b) provides: "If a utility has more than twenty (20) customers, it shall provide notice by:

1. Including notice with customer bills mailed no later than the date the application is submitted to the commission;
2. Mailing a written notice to each customer no later than the date the application is submitted to the commission;
3. Publishing notice once a week for three (3) consecutive weeks in a prominent manner in a newspaper of general circulation in the utility's service area, the first publication to be made no later than the date the application is submitted to the commission; or
4. Publishing notice in a trade publication or newsletter delivered to all customers no later than the date the application is submitted to the commission.

² In its recently completed regular session, the Kentucky General Assembly recognized that the posting of notices on internet sites serves as a cost-effective substitute for the publication of lengthy newspaper notices by enacting House Bill 195. This legislation, which is codified at KRS 424.145, provides an alternative method for local governments to publish lengthy legal notices by permitting the publication of an abbreviated notice in a newspaper of general circulation that provides a hyperlink to the lengthier notice located on the local government's internet site.

typewritten pages in 18 newspapers.³ In the Companies' 2018 rate adjustment proceedings, KU's complete customer notice consisted of 43 single-spaced typewritten 8½ by 11 pages. KU published notice in 91 newspapers.⁴ LG&E's complete customer notice consisted of 65 single-spaced typewritten 8½ by 11 pages. LG&E published notice in 18 newspapers.⁵

4. Publication of the required notice is also very costly. The Companies collectively expended more than \$2.7 million to publish their complete notices in their 2016 rate case proceedings.⁶ Judicial and Commission precedent requires that this amount as a rate case expense must be recovered through the newly established rates.⁷ In the upcoming general rate case proceedings, the Companies do not foresee any material change in the length of the required notice or the number of newspapers in which notice must be published. If required to strictly comply with 807 KAR 5:001, Section 17, the Companies anticipate the level of expense associated with the publication of notice to be comparable to or greater than that incurred in the 2016 general rate case proceedings.

5. Significant savings for the Companies' customers, however, will be achieved if an abbreviated form of notice reasonably calculated to inform the public is used instead of the

³ *Electronic Application of Kentucky Utilities Company For An Adjustment of Its Electric Rates And For Certificates of Public Convenience and Necessity*, Case No. 2016-00370, Certificate of Completed Notice (Ky. PSC filed Jan. 9, 2017); *Electronic Application of Louisville Gas and Electric Company For An Adjustment of Its Electric and Gas Rates And For Certificates of Public Convenience and Necessity*, Case No. 2016-00371, Certificate of Completed Notice (Ky. PSC filed Jan. 9, 2017).

⁴ *Electronic Application of Kentucky Utilities Company For an Adjustment of its Electric Rates*, Case No. 2018-00294, Tab 6 of Filing Requirements (Ky. PSC filed Sept. 28, 2018).

⁵ *Electronic Application of Louisville Gas and Electric Company For an Adjustment of its Electric and Gas Rates*, Case No. 2018-00295, Tab 6 of Filing Requirements (Ky. PSC filed Sept. 28, 2018).

⁶ Case No. 2016-00370, Supplemental Response to Commission Staff's First Request for Information, Item 60(c) (Ky. PSC filed Jan. 27, 2017); Case No. 2016-00371, Supplemental Response to Commission Staff's First Request for Information, Item 60(c) (Ky. PSC filed Jan. 27, 2017).

⁷ *Driscoll v. Edison Light & Power Co.*, 307 U.S. 104, 120 (1939); *West Ohio Gas Co. v. Public Utilities Comm'n*, 294 U.S. 63, 74 (1935); *Southern Bell Tel. & Tel. Co. v. Georgia Public Service Com.*, 49 S.E.2d 38 (Ga. 1948); *Application and Notice of Campbell County Kentucky Water District (A) To Issue Revenue Bonds In The Approximate Principal Amount of \$5,535,000 (B) To Construct Additional Plant Facilities of Approximately \$4,523,000 (C) Notice of Adjustment of Rates Effective May 1, 1989 (D) Submission of Long Term Water Supply Contract*, Case No. 89-029 (Ky. PSC Mar. 6, 1990).

complete notice that 807 KAR 5:001, Section 17 requires.⁸ The Companies propose to publish an abbreviated form of notice containing complete content for the residential rate changes and other information required by the Commission’s rules, but not the complete required content for the other changes in the remaining rate schedules. This abbreviated notice would identify each rate schedule that is proposed to be changed and refer the reader to the Companies’ and the Commission’s websites or the Companies’ business offices for further information. It would also offer to provide upon written or electronic mail request a copy of any applicable rate schedule in paper or electronic medium. A copy of each proposed notice for KU and LG&E comparable to the abbreviated notice approved by the Commission for the Companies’ 2018 rate case proceedings is attached as Exhibit A to this Motion.

6. The Commission approved the Companies’ request to publish an abbreviated form of notice in their 2018 rate case proceedings.⁹ The publication costs in the 2018 rate case proceedings equaled \$655,236.57.¹⁰ Use of the abbreviated form of notice in the 2018 rate case

⁸ *Mullane v. Cent. Hanover Bank & Trust Co.*, 339 U.S. 306, 314-315 (1950) (“The notice must be of such nature as reasonably to convey the required information, and it must afford a reasonable time for those interested to make their appearance. But if with due regard for the practicalities and peculiarities of the case these conditions are reasonably met, the constitutional requirements are satisfied. . . . The means employed must be such as one desirous of actually informing the absentee might reasonably adopt to accomplish it. The reasonableness, and hence the constitutional validity of, any chosen method may be defended on the ground that it is, in itself, reasonably certain to inform those affected, or, where conditions do not reasonably permit such notice, that the form chosen is not substantially less likely to bring home notice than other of the feasible and customary substitutes.”) (citations omitted).

⁹ *Joint Application of Kentucky Utilities Company and Louisville Gas and Electric Company for a Declaratory Order Establishing the Form of Notice and Number of Copies of Certain Documents Filed in Support of Upcoming Applications for Rate Adjustments*, Case No. 2018-00250, Order (Ky. PSC Aug. 31, 2018).

¹⁰ 2018 rate case proceeding costs:

KU: \$489,609.81 (Case No. 2018-00294, Supplemental Attachment 1 to Response to PSC-1 Question No. 59(c), Filed November 26, 2018).

LG&E – Electric: \$130,845.14 (Case No. 2018-00295, Supplemental Attachment 1 to Response to PSC-1 Question No. 59(c), Filed December 21, 2018).

LG&E – Gas: \$34,781.62 (Case No. 2018-00295, Supplemental Attachment 1 to Response to PSC-1 Question No. 59(c), Filed December 21, 2018).

Total: \$655,236.57

proceedings resulted in publication costs that were more than \$2 million¹¹ less than those incurred in the 2016 rate case proceedings.¹²

7. In addition to the publication of this form of notice, the Companies will take the following actions to ensure public awareness of the proposed rate adjustments:

- a. At the time the newspapers begin to publish the legal notice, each would keep a complete copy of the more detailed and lengthy notice that Section 17 requires at its offices and places of businesses and maintain this copy until completion of its rate case proceeding;
- b. At the time of publication of the abbreviated notice, each would post on its website a copy of the more detailed and lengthy notice that Section 17 requires and a hyperlink to the location on the Commission's website where case documents and tariff filings are available;
- c. Beginning on November 30, 2020, each would include a general statement explaining its application for rate adjustment with the bills of all of its Kentucky retail customers during the course of their regular billing cycle;
- d. At the time of the filing of its application, each would notify by electronic mail the chief executive officer or legal counsel of each entity that had been granted intervention or otherwise permitted to participate in its last general rate case proceeding of the filing of the applications and provide a hyperlink to the location on the Public Service Commission's website where case documents and tariff filings are available;

¹¹ KU savings: \$1,293,221.91; LG&E savings: \$755,293.20.

¹² 2016 rate case proceeding costs:
KU: \$1,782,831.72
LG&E – Electric: \$718,317.57
LG&E – Gas: \$202,602.39
Total: \$2,703,751.68

- e. At the time the newspapers begin to publish the legal notice, the Companies would issue press advisories to all known news media organizations who cover the areas within their certified territory advising of the filing of their applications and including a hyperlink to the location on the Companies' and the Commission's websites where case documents and tariff filings will be available. The hyperlink to the Companies' website will contain the same notice being published by the newspapers until the date the applications are filed. On the date the applications are filed, the Companies' website will be updated to contain the complete public version of the applications filed with the Commission; and
- f. At the time of the filing of its application, each will file the customer notice as a separate document, labeled "Customer Notice of Rate Adjustment," to enable ratepayers checking the Commission's website to easily locate the notice.

8. Based upon a comparison of 2016 and 2018 publication costs, use of the proposed abbreviated notice in lieu of the more lengthy and detailed notice required by Section 17 will likely result in a savings to the Companies' ratepayers of more than \$2 million.

9. Use of the proposed abbreviated notice should not reduce customer awareness of the proposed rate adjustment or customer participation in the rate proceedings.

10. The Commission approved the Companies' requests to provide abbreviated newspaper notice of their applications for rate adjustment in their last general rate case proceedings because of the measurable savings the abbreviated notice would provide ratepayers.¹³ The Commission also found that "the abbreviated notice would not reduce transparency of the rate

¹³ Case No. 2018-00250, Order at 5-6 (Ky. PSC Aug. 31, 2018).

applications to be filed by KU/LG&E in light of the public awareness measures that KU/LG&E propose to implement in conjunction with the publication of the abbreviated notice.”¹⁴

11. Section 22 of the Commission’s Rules of Procedure authorizes the Commission to permit deviations from those rules for good cause. In light of the significant savings to customers through the use of the proposed abbreviated notice without any significant reduction in public awareness of the proposed rate adjustments, good cause exists for the Commission to authorize a deviation from Section 17 of its Rules of Procedure and permit the Companies to publish the proposed abbreviated form of notice in lieu of the notice required by Section 17.

Electronic Filing of Certain Documents

12. With their filing of formal notice of their intent to file an application for general rate adjustment, the Companies have also filed, pursuant to Section 8 of the Commission’s Rules of Procedure, notice of their election to use electronic filing procedures.

13. Section 8 of the Commission’s Rules of Procedure provides that, in any proceeding in which an applicant has timely elected the use of electronic filing procedures, those electronic filing procedures will be followed. Electronic filing procedures require a party submitting a paper¹⁵ to the Commission to file an electronic copy through the Commission’s Electronic Filing System and to physically deliver to the Commission’s offices a copy in paper medium.

14. While the Companies will fully comply¹⁶ with the Commission’s Orders¹⁶ requiring the physical delivery in paper medium of electronically submitted documents once the current

¹⁴ *Id.* In its Order in Case No. 2018-00250, the Commission also required the Companies to post a copy of the full customer notice in each public library located within KU and LG&E’s respective service territories at the time the abbreviated customer notice was published and to keep this notice posted throughout the entirety of the rate proceedings. Due to restrictions placed upon public library operations as a result of the COVID-19 pandemic, the posting of the full customer notice at each public library is not currently a practical or effective means of notifying the public and should not be required for the upcoming rate proceedings.

¹⁵ 807 KAR 5:001, Section 1(9) defines a “paper” as an application, petition, or other initiating document, motion, complaint, answer, response, reply, notice, request for information, or other document that . . . [807 KAR 5:001] or the commission directs or permits a party to file in a case.”

¹⁶ *Electronic Emergency Docket Related to the Novel Coronavirus COVID-19*, Case No. 2020-00085, Order (Ky. PSC Mar. 16, 2020) and Order (Ky. PSC Mar. 24, 2020).

State of Emergency¹⁷ ends, they request leave to omit from the paper medium version of their applications for general rate adjustment the following documents that 807 KAR 5:001 requires to be included in those applications:

- a. Most recent FERC audit report;¹⁸
- b. Prospectus of most recent stock or bond offerings;¹⁹
- c. Most recent FERC Form 1 (electric) and FERC Form 2 (gas);²⁰ and
- d. SEC's annual report (Form 10-K) for the most recent two years, any Form 8-Ks issued in the last two years, and any Form 10-Q issued during the past six quarters.²¹

15. In the Companies' last rate case proceedings, these documents constituted more than 3,500 pages of material for each company. Production of a paper copy of these materials is unduly burdensome and the storage and handling of these documents at the Commission may prove unwieldy. In lieu of producing one copy of these documents in paper medium, the Companies propose to file an electronic copy only using the Commission's Electronic Filing System and provide a copy of the same on a physical electronic storage media when filing the remaining portions of their applications in paper medium. Elimination of the production of one paper copy of these documents will significantly reduce the size of the applications in paper medium.

Conclusion

16. The Companies' request for the use of abbreviated notice is intended to reduce the costs of the upcoming rate proceedings to provide significant savings to customers and the

¹⁷ Executive Order No. 2020-215, Declaration of a State of Emergency, issued Mar. 6, 2020, by Gov. Andy Beshear.

¹⁸ 807 KAR 5:001 Section 16(7)(i).

¹⁹ 807 KAR 5:001 Section 16(7)(j).

²⁰ 807 KAR 5:001 Section 16(7)(k).

²¹ 807 KAR 5:001 Section 16(7)(p).

Companies' request to produce certain documents only in electronic medium is intended to achieve efficiencies and reduce the burden to the Companies and the Commission related to the storage and handling of case documents.

WHEREFORE, Kentucky Utilities Company and Louisville Gas and Electric Company respectfully request the Commission enter an order no later than November 4, 2020:

1. Authorizing the Companies to deviate from 807 KAR 5:001, Section 17 and permitting the Companies to publish, in conjunction with the other notices and actions described above, an abbreviated notice of their proposed rate adjustment in the form set forth in Exhibit A to this Motion;

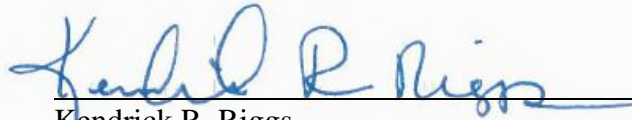
2. Authorizing the Companies to deviate from 807 KAR 5:001, Section 8(12) and to provide only an electronic copy through the Commission's Electronic Filing System and a copy of the same on a physical electronic storage media of the follow materials when submitting their applications for rate adjustment:

- a. Most recent FERC audit report;
- b. Prospectus of most recent stock or bond offerings;
- c. Most recent FERC Form 1 (electric) and FERC Form 2(gas); and
- d. SEC's annual report (Form 10-K) for the most recent two years, any Form 8-Ks issued in the last two years, and any Form 10-Q issued during the past six quarters; and

3. All other appropriate relief.

Dated: October 23, 2020

Respectfully submitted,



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LG&E and KU Services Company
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Telephone: (502) 627-2088
Fax: (502) 627-3367
allyson.sturgeon@lge-ku.com

*Counsel for Kentucky Utilities Company and
Louisville Gas and Electric Company*

CERTIFICATE OF SERVICE

The undersigned hereby certifies that a true and correct electronic copy of the foregoing *Motion for Deviation* was served on the following by electronic mail using the electronic mail address shown below and a true and correct copy in paper medium will be delivered to the Commission within 30 days of the lifting of the State of Emergency, for delivery to the addresses shown below on the 23 day of October 2020:

Lawrence W. Cook
Office of KY Attorney General
Office of Rate Intervention
700 Capitol Avenue, Suite 20
Frankfort, KY 40601
Larry.Cook@ky.gov



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

EXHIBIT A

FORM OF NOTICE

PLEASE TAKE NOTICE that, in a November 25, 2020 Application, Louisville Gas and Electric Company (“LG&E”) is seeking approval by the Kentucky Public Service Commission of an adjustment of its electric and gas rates and charges to become effective on and after December 31, 2020.

**LG&E CURRENT AND PROPOSED RESIDENTIAL
ELECTRIC AND GAS RATES**

Residential Service - Rate RS

	<u>Current</u>	<u>Proposed</u>
Basic Service Charge per day:		
Plus an Energy Charge per kWh:		
Infrastructure		
Variable		
Total		

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

Current

Basic Service Charge per day:			
Plus an Energy Charge per kWh:	Infrastructure	Variable	Total
Off-Peak Hours			
On-Peak Hours			

Proposed

Basic Service Charge per day:			
Plus an Energy Charge per kWh:	Infrastructure	Variable	Total
Off-Peak Hours			
On-Peak Hours			

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

Current

Basic Service Charge per day:			
	Infrastructure	Variable	Total
Plus an Energy Charge per kWh:			
Plus a Demand Charge per kW:			
Off-Peak Hours			
On-Peak Hours			

Proposed

Basic Service Charge per day:			
	Infrastructure	Variable	Total
Plus an Energy Charge per kWh:			
Plus a Demand Charge per kW:			
Base Hours			
Peak Hours			

Residential Gas Service - Rate RGS

Current

Basic Service Charge per day:	
Plus a Charge per 100 cubic feet:	
Distribution Charge	
Gas Supply Cost Component	
Total Gas Charge per 100 cubic feet:	

Proposed

Basic Service Charge per day:	
Plus a Charge per 100 cubic feet:	

Distribution Charge
 Gas Supply Cost Component
 Total Gas Charge per 100 cubic feet:

LG&E has also proposed changes to the rates for other customer classes. These customer classes and the changes in their associated rates are listed in the tables shown below. LG&E is also proposing changes in the text of some of its rate schedules and other tariff provisions, including its terms and conditions for electric or gas service and miscellaneous charges. The proposed rates reflect a proposed annual increase in electric revenues of approximately X.X% and gas revenues of approximately X.X% to LG&E.

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:

Electric Rate Class	Average Usage (kWh)	Annual \$ Increase	Annual % Increase	Monthly Bill \$ Increase	Monthly Bill % Increase
Residential					
Residential Time-of-Day Energy					
Residential Time-of-Day Demand					
General Service					
Power Service					
Time-of-Day Secondary					
Time-of-Day Primary					
Retail Transmission					
Fluctuating Load					
Outdoor Lights					
Lighting Energy					
Traffic Energy					
PSA					
Rider – CSR					
Outdoor Sports Lighting					

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

Gas Rate Class	Average Usage (Mcf)	Annual \$ Increase	Annual % Increase	Mthly Bill \$ Increase	Mthly Bill % Increase
Residential					
Commercial					
Industrial					
As-Available					
Firm Transportation					
Distributed Generation					
Substitute Gas Sales					
Local Gas Delivery					

The monthly residential electric bill increase due to the proposed electric base rates will be X percent, or approximately \$X.XX, for a customer using X,XXX kWh of electricity (the average monthly consumption of a LG&E residential customer).

A One-Year Surcredit Adjustment Clause, which will credit to customers a total of \$XX million over twelve months when new rates go into effect from these proceedings. Of that \$XX million, \$XX million will go to LG&E electric customers, and \$XX million will go to LG&E gas customers.

For the first twelve months following these proceedings when new rates take effect, the average monthly LG&E electric residential bill increase due to the proposed revenue increase less the One-Year Surcredit will be XX.X percent, or approximately \$XX.XX, for a residential customer

The monthly residential gas bill increase due to the proposed gas base rates will be X percent, or approximately \$X.XX, for a customer using XX ccf of gas (the average monthly consumption of a LG&E residential customer).

For the first twelve months following these proceedings when new rates take effect, the average monthly LG&E gas residential bill increase due to the proposed revenue increase less the One-Year Surcredit will be XX.X percent, or approximately \$XX.XX, for a residential customer.

LG&E is proposing to add an optional rider called Warranty Service for Customer-Owned Exterior Facilities. This rider will allow residential customers the option of purchasing warranty service for the repair or replacement of customer-owned exterior electric facilities serving the customer’s residence and connected to the Company’s distribution facilities.

LG&E is requesting a Certificate of Public Convenience and Necessity and other associated relief to exchange all existing electric meters in its service area with Advanced Metering Infrastructure meters.

LG&E is proposing a new net metering rate schedule, Rider NMS-2, and renaming their 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 these proceedings. Rider NMS-2 will apply to all other net metering customers. LG&E is also proposing new terms and conditions for Net Metering Service Interconnection Guidelines.

Other Charges

LG&E is proposing the following revisions to other charges in its Electric tariff:

Other Charges	Current Charge	Proposed Charge
Returned Payment Charge		
Meter Pulse Charge		
Redundant Capacity - Secondary		
Redundant Capacity - Primary		
EVSE – Single Charger		
EVSE – Dual Charger		
EVSE-R – Single Charger		
EVSE-R – Dual Charger		
EVC – Charge per Hour for First Two Hours		
EVC – Charge per Hour for Every Hour After First Two Hours		
Solar Share Program Rider		
Excess Facilities – w/ no CIAC		
Excess Facilities – w/ CIAC		
TS – Temporary-to-Permanent		
TS – Seasonal		

LG&E is proposing the following revisions to other charges in its Gas tariff:

Other Charges	Current Charge	Proposed Charge
Returned Payment Charge		
Daily Storage Charge for Daily Imbalances (TS-1 and LGDS)		
Excess Facilities – w/ no CIAC		
Excess Facilities – w/ CIAC		

A detailed notice of all proposed revisions and a complete copy of the proposed tariffs containing the proposed text changes, terms and conditions for electric or gas service and rates may be obtained by submitting a written request by e-mail to myaccount@lge-ku.com or by mail to Louisville Gas and Electric Company, ATTN: Rates Department, 220 West Main Street, Louisville, Kentucky, 40202, or by visiting LG&E’s website at www.lge-ku.com.

A person may examine LG&E’s application at the offices of LG&E located at 820 West Broadway, Louisville, Kentucky, and at LG&E’s website at 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 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 sending an email to the Commission’s Public Information Officer at psc.info@ky.gov. All comments should reference Case No. 2020-00350.

The rates contained in this notice are the rates proposed by LG&E, 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 the notice, the commission may take final action on the application.

Louisville Gas and Electric Company
220 West Main Street
P. O. Box 32010
Louisville, Kentucky 40232
502-589-1444 or 1-800-331-7370

Public Service Commission
211 Sower Boulevard
P. O. Box 615
Frankfort, Kentucky 40602
502-564-3940

FORM OF NOTICE

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 December 31, 2020.

**KU CURRENT AND PROPOSED RESIDENTIAL
ELECTRIC RATES**

Residential Service - Rate RS

	<u>Current</u>	<u>Proposed</u>
Basic Service Charge per day:		
Plus an Energy Charge per kWh:		
Infrastructure		
Variable		
Total		

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

Current

Basic Service Charge per day:			
Plus an Energy Charge per kWh:	Infrastructure	Variable	Total
Off-Peak Hours			
On-Peak Hours			

Proposed

Basic Service Charge per day:			
Plus an Energy Charge per kWh:	Infrastructure	Variable	Total
Off-Peak Hours			
On-Peak Hours			

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

Current

Basic Service Charge per day:			
	Infrastructure	Variable	Total
Plus an Energy Charge per kWh:			
Plus a Demand Charge per kW:			
Off-Peak Hours			
On-Peak Hours			

Proposed

Basic Service Charge per Month:			
	Infrastructure	Variable	Total
Plus an Energy Charge per kWh:			
Plus a Demand Charge per kW:			
Base Hours			
Peak Hours			

KU has also proposed changes to the rates for other customer classes. These customer classes and the changes in their associated rates are listed in the tables shown below. KU is also proposing changes in the text of some of its rate schedules and other tariff provisions, including its terms and conditions for electric and miscellaneous charges. The proposed rates reflect a proposed annual increase in electric revenues of approximately X.X% to KU.

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:

Electric Rate Class	Average Usage (kWh)	Annual \$ Increase	Annual % Increase	Monthly Bill \$ Increase	Monthly Bill % Increase
Residential					
Residential Time-of-Day Energy					
Residential Time-of-Day Demand					
General Service					
All Electric School					
Power Service					
Time-of-Day Secondary					
Time-of-Day Primary					
Retail Transmission					
Fluctuating Load Service					
Outdoor Lights					
Lighting Energy					
Traffic Energy					
PSA					
Rider – CSR					
Outdoor Sports Lighting					

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

A One-Year Surcredit Adjustment Clause, which will credit to customers a total of \$XX million over twelve months when new rates go into effect from these proceedings.

For the first twelve months following these proceedings when new rates take effect, the average monthly KU residential bill increase due to the proposed revenue increase less the One-Year Surcredit will be XX.X percent, or approximately \$XX.XX, for a residential customer.

KU is proposing to add an optional rider called Warranty Service for Customer-Owned Exterior Facilities. This rider will allow residential customers the option of purchasing warranty service for the repair or replacement of customer-owned exterior electric facilities serving the customer’s residence and connected to the Company’s distribution facilities.

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

KU is proposing a new net metering rate schedule, Rider NMS-2, and renaming their 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 these proceedings. 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.

Other Charges

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

Other Charges	Current Charge	Proposed Charge
Returned Payment Charge		
Meter Pulse Charge		
Redundant Capacity - Secondary		
Redundant Capacity - Primary		
EVSE – Single Charger		
EVSE – Dual Charger		
EVSE-R – Single Charger		
EVSE-R – Dual Charger		
EVC – Charge per Hour for First Two Hours		
EVC – Charge per Hour for Every Hour After First Two Hours		
Solar Share Program Rider		
Excess Facilities – w/ no CIAC		
Excess Facilities – w/ CIAC		
TS – Temporary-to-Permanent		
TS – Seasonal		

A detailed notice of all proposed revisions and a complete copy of the proposed tariffs containing the proposed text changes and rates may be obtained by submitting a written request by e-mail to myaccount@lge-ku.com or by mail to Kentucky Utilities Company, ATTN: Rates Department, 220 West Main Street, Louisville, Kentucky, 40202, or by visiting LG&E’s website at www.lge-ku.com.

A person may examine KU’s application at the offices of KU located at One Quality Street, Lexington, Kentucky, at KU’s local offices where bills are paid, and at KU’s website at 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 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 sending an email to the Commission’s Public Information Officer at 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 the notice, the commission may take final action on the application.

Kentucky Utilities Company
c/o LG&E and KU Energy LLC
220 West Main Street
P. O. Box 32010
Louisville, Kentucky 40232
1-800-981-0600

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