

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, APPROVAL OF CERTAIN)
REGULATORY AND ACCOUNTING)
TREATMENTS, AND ESTABLISHMENT OF A)
ONE-YEAR SURCREDIT)

CASE NO.
2020-00349

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 METERING INFRASTRUCTURE)
APPROVAL OF CERTAIN REGULATORY AND)
ACCOUNTING TREATMENTS, AND)
ESTABLISHMENT OF A ONE-YEAR)
SURCREDIT)

CASE NO.
2020-00350

MEMORANDUM BRIEF

Come Louisville/ Jefferson County Metro Government and Lexington-Fayette Urban County Government (the “Cities”) and pursuant to the Commission’s Order dated May 3, 2021, state as follows:

I. The Cities strongly support the Settlement Agreement, including the following provisions filed as Exhibit 1 to the Stipulation Testimony of Kent Blake.

- (a) The increase to the residential rates is approximately equal to the rate increase for the LG&E/KU as a whole of 7.15%.

- (b) There is no increase to the Basic Service Charge.
- (c) The stay out for filing a new rate case is four years.
- (d) With respect to lighting issues:
 - (i) Approval of a one-time conversion fee for LG&E of \$260 for HID lights to L.E.D. This fee plus LS and RLS rates will allow the conversion of all Louisville Metro's non-L.E.D. fixtures to L.E.D. fixtures over a multi-year period. The carrying charge for both Utilities' conversion fee is eliminated.
 - (ii) Rate LS conversion fees will be reduced to \$3.29 for KU and \$4.62 for LG&E.
 - (iii) A new L.E.D. offering will be added to both Utilities' LS tariff to replace the current 100W HPS Cobra offering.
 - (iv) The Utilities commit to a competitive bid process for lighting fixtures every five years and such a process prior to the next rate case.
 - (v) The Cities and LG&E/KU will cooperate to explore opportunities with information technology so that street light outage notification from the Cities to LG&E/KU will flow more directly and thus quicker.
- (e) The shareholders of LG&E/KU will increase their LIHEAP contribution at a percentage increase equal to the overall percentage increase of the rate case.

II. Net metering.

The Companies' witness Steven Seelye testified that, even when using two different methods, non-participating customers are subsidizing the net-metering customers at an amount not greater than \$0.02 per month. In other words, during the entire four year stay out provision contemplated by this settlement agreement, a non-participating customer would be paying a "subsidy" to net-metering customers of less than \$1.00. This miniscule amount belies the argument that this is a problem that needs to be corrected. The Cities also reserve any rights they may have to further respond on net-metering

following the Commission's Order in the Kentucky Power Company case (2020-00179, May 14, 2021).

For the above-stated reasons, the Cities request that the PSC accept the Settlement and further reject any changes to the status quo for net metering.

Respectfully submitted,



STURGILL, TURNER, BARKER & MOLONEY, PLLC

James W. Gardner

M. Todd Osterloh

333 W. Vine Street, Suite 1500

Lexington, Kentucky 40507

Telephone No.: (859) 255-8581

Facsimile No.: (859) 231-0851

jgardner@sturgillturner.com

tosterloh@sturgillturner.com

and

MICHAEL J. O'CONNELL

JEFFERSON COUNTY ATTORNEY

Jeff Derouen

Lauren Givhan

Assistant County Attorneys

First Trust Centre

200 S. 5th St. Suite 200N

Louisville, KY 40202

Phone: (502) 574-6331

Jeff.Derouen@louisvilleky.gov

Lauren.Givhan@louisvilleky.gov

Attorneys for Louisville Metro

CERTIFICATE OF SERVICE

In accordance with 807 KAR 5:001, Section 8, I certify that the May 24, 2021, electronic filing of this document is a true and accurate copy of the same document being filed in paper medium; that the electronic filing will be transmitted to the Commission on May 24, 2021, 2021; that there are currently no parties that the Commission has excused from participation by electronic means in this proceeding; and that an original paper medium of this document will be delivered to the Commission within 30 days after the state of emergency is lifted.



Counsel for LFUCG