

**COMMONWEALTH OF KENTUCKY**  
**PUBLIC SERVICE COMMISSION**

**IN RE:            KENERGY CORP.    )            CASE NO.**  
  )  
  )            **2023- 00309**

**VERIFIED PETITION FOR DECLARATORY ORDER**

Petitioner, **KENERGY CORP.** (“Kenergy”), pursuant to 807 KAR 5:001, §19, petitions the Public Service Commission for a declaratory order requesting an interpretation of KRS 278.45.

**JURISDICTION**

Kenergy is a regulated utility under the jurisdiction of the Commission. Kenergy is subject to the jurisdiction of the Commission.

**807 KAR 5:001, §19(2)(a) - STATEMENT OF FACTS**

Kenergy Corp. is a retail supplier of electric energy to its members through tariff or special contract. Kenergy’s existing net metering tariff, Schedule 46 contains the terms under which residential or agricultural members may connect a solar facility to Kenergy’s system. Specifically, Tariff Sheets 46B and 46C (Exhibits A-1 and A-2) state that Kenergy will approve a Level 1 Interconnection System if the generating facility meets the following conditions:

“(1) For interconnection to a radial distribution circuit, the aggregated generation on the circuit, including the proposed generating facility, will not exceed 15% of the Line Section’s most recent one hour peak load. A line section is the smallest part of the primary distribution system the generating facility could remain connected to after operation of any sectionalizing devices.”

A radial circuit is the set of distribution lines that run from a substation to members in the same manner that spokes in a wheel run from the wheel hub. Each line has sections that are separated by devices designed to trip in the event of an overload and these are referred to as cut-outs or fuses. These lines were constructed in anticipation of typical modest rural residential and agricultural loads. Proposed solar generating facilities were not anticipated at the time the lines were constructed.

Recently, Kenergy has received inquiries about members who desire to install solar equipment on their property. In these two inquiries, the solar generating capacity is significant.<sup>1</sup> In the inquiry where the load is 320 KW, the smallest part of the primary distributions system the solar generating facility could remain connected to after operation of a sectionalizing device is 95 KW.<sup>2</sup> In the inquiry where the load is 135 KW, the smallest

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<sup>1</sup>In one stance, the KW load is 135 and the other it is 320.

<sup>2</sup>See attached map based on an actual circuit with a proposed installation and a hypothetical installation added to better frame the question. Exhibit B.

part of the primary distributions system the solar generating facility could remain connected<sup>3</sup> to after operation of a sectionalizing device is 115 KW. According to Kenergy's interpretation in each of these inquiries, the large generating capacity will exceed 15% of a line section's most recent one hour peak load on the line where the solar facility will connect.

In order to properly install such solar facilities as are described above in compliance with Tariff 46, the pertinent distribution lines may require upgrades. However, the cost of the line upgrades is substantial, unique to the proposed solar generating member and should not be borne by the other members on the system. Unless the proposed solar generating member agrees to pay the cost of the line upgrades, then Kenergy requests authority from the Commission to deny the installation of solar facilities that are not in compliance with Kenergy's interpretation of Schedule 46.

807 KAR 5:001, §19(2)(c) - APPLICANT'S INTEREST. The applicant's interest is its duty as a retail supplier of electric energy to ensure that its rural class members do not bear undue expense to pay for system upgrades that only benefit one member.

807 KAR 5:001, §19(2)(d) - APPLICABLE REGULATIONS. The regulations to which this application relates are 807 KAR 5:006, §14 and §19.

807 KAR 5:001, §19(2)(e) - PROPOSED RESOLUTION. The proposed resolution is to obtain an order from the Commission supporting Kenergy's interpretation of Schedule 46 in that a proposed solar generating facility that causes a 15% or greater increase

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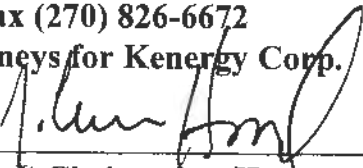
<sup>3</sup>If a sectionalizing device operates properly and opens then the solar generating facility will not be "connected" electrically to the circuit.

in a line section's most recent annual one hour peak load is cause to deny the connection of the proposed solar facility to Kenergy's system. Further, that any upgrades to Kenergy's system necessary to allow the connection of the proposed solar system must be borne by the member desiring to install the solar generating system and should not be borne among the membership of Kenergy as a whole.

807 KAR 5:001, §19(3) SERVICE. A copy of this petition is served by mailing to the Kentucky Attorney General, Office of Rate Intervention, 1024 Capital Center Drive, Frankfort, KY 40601.

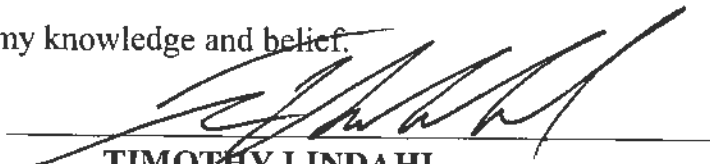
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Attorneys for Kenergy Corp.

By

  
\_\_\_\_\_  
J. Christopher Hopgood  
[chopgood@dkgnlaw.com](mailto:chopgood@dkgnlaw.com)

**VERIFICATION**

I, **TIMOTHY LINDAHL**, swear and affirm that the foregoing statements are true and correct to the best of my knowledge and belief.

  
\_\_\_\_\_  
**TIMOTHY LINDAHL**  
President and CEO  
**KENERGY CORP.**

STATE OF KENTUCKY  
COUNTY OF DAVIESS

The foregoing was subscribed and sworn to before me by **TIMOTHY LINDAHL** President and CEO of **KENERGY CORP.**, this the 12<sup>th</sup> day of September, 2023.

My commission expires 5-24-2027  
Debra J. Hayden  
Notary Public  
Notary Public Id#: KYNP71808

**CERTIFICATE OF SERVICE**

I hereby certify that a true and correct copy of the foregoing was served by mailing a true and correct copy of same to Kentucky Attorney General, Office of Rate Intervention, 1024 Capital Center Drive, Frankfort, KY 40601, on this 13<sup>th</sup> day of September, 2023.

J. Christopher Hopgood  
J. Christopher Hopgood



Henderson, Kentucky

FOR ALL TERRITORY SERVED

Community, Town or City

PSC NO. 2

First Revised SHEET NO. 46B

CANCELLING PSC NO. 1

Original SHEET NO. 46B

<b>CLASSIFICATION OF SERVICE</b>
Schedule 46 – Net Metering

T D. Excess electricity credits are not transferable between customers or locations.

E. No cash refund for residual generation-related credits shall be paid if an account under this tariff is closed.

APPLICATION AND APPROVAL PROCESS

The Customer shall submit an Application for Interconnection and Net Metering ("Application") and receive approval from Kenergy prior to connecting the generator facility to Kenergy's system.

Applications will be submitted by the Customer and reviewed and processed by Kenergy according to either Level 1 or Level 2 processes defined below.

Kenergy may reject an Application for violations of any code, standard, or regulation related to reliability or safety; however, Kenergy will work with the Customer to resolve those issues to the extent practicable.

Customers may contact Kenergy to check on status of an Application or with questions prior to submitting an Application. Kenergy contact information can be found on the Application form. The Application may be submitted by mail to, or in person at, the address found on the Application form.

**LEVEL 1**

A Level 1 Application shall be used if the generating facility is inverter-based and is certified by a nationally recognized testing laboratory to meet the requirements of Underwriters Laboratories Standard 1741 "Inverters, Converters, Controllers and Interconnection System Equipment for Use With Distributed Energy Resources" (UL 1741).

Kenergy will approve the Level 1 Application if the generating facility also meets all of the following conditions:

DATE OF ISSUE April 1, 2009  
Month / Date / Year

DATE EFFECTIVE April 30, 2009  
Month / Date / Year

ISSUED BY *Timothy Lewis*  
(Signature of Officer)

TITLE President and CEO

BY AUTHORITY OF ORDER OF THE PUBLIC SERVICE COMMISSION  
IN CASE NO. 2008-00169 DATED January 8, 2009

**PUBLIC SERVICE COMMISSION  
OF KENTUCKY  
EFFECTIVE  
4/30/2009  
PURSUANT TO 807 KAR 5:011  
SECTION 9 (1)**

By *Jeff Ober*  
Executive Director

**EXHIBIT**

A-1



Henderson, Kentucky

FOR ALL TERRITORY SERVED

Community, Town or City

PSC NO. 2

First Revised SHEET NO. 46C

CANCELLING PSC NO. 1

Original SHEET NO. 46C

**CLASSIFICATION OF SERVICE**

Schedule 46 - Net Metering

- T
- (1) For interconnection to a radial distribution circuit, the aggregated generation on the circuit, including the proposed generating facility, will not exceed 15% of the Line Section's most recent annual one hour peak load. A line section is the smallest part of the primary distribution system the generating facility could remain connected to after operation of any sectionalizing devices.
  - (2) If the proposed generating facility is to be interconnected on a single-phase shared secondary, the aggregate generation capacity on the shared secondary, including the proposed generating facility, will not exceed the smaller of 20 kVA or the nameplate rating of the transformer.
  - (3) If the proposed generating facility is single-phase and is to be interconnected on a center tap neutral of a 240 volt service, its addition shall not create an imbalance between the two sides of the 240 volt service of more than 20% of the nameplate rating of the service transformer.
  - (4) If the generating facility is to be connected to three-phase, three wire primary utility distribution lines, the generator shall appear as a phase-to-phase connection at the primary utility distribution line.
  - (5) If the generating facility is to be connected to three-phase, four wire primary utility distribution lines, the generator shall appear to the primary utility distribution line as an effectively grounded source.
  - (6) The interconnection will not be on an area or spot network. Area and spot networks are systems in which multiple transformers are interconnected on the secondary side and multiple primary voltage circuits are used to feed the transformers. A spot network is typically used to serve a single building and all the transformers are in one location. An area network typically serves multiple customers with secondary conductors covering multiple city blocks and with transformers at various locations.
  - (7) Kenergy does not identify any violations of any applicable provisions of Institute of Electrical and Electronics Engineers Standard 1547 (IEEE 1547), "Standard for Interconnecting Distributed Resources with Electric Power Systems."

DATE OF ISSUE April 1, 2009

Month / Date / Year

DATE EFFECTIVE April 30, 2009

Month / Date / Year

ISSUED BY [Signature]

(Signature of Officer)

TITLE President and CEO

BY AUTHORITY OF ORDER OF THE PUBLIC SERVICE COMMISSION

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PUBLIC SERVICE COMMISSION  
OF KENTUCKY  
EFFECTIVE  
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PURSUANT TO 807 KAR 5:011  
SECTION 9 (1)

By [Signature]  
Executive Dir

EXHIBIT

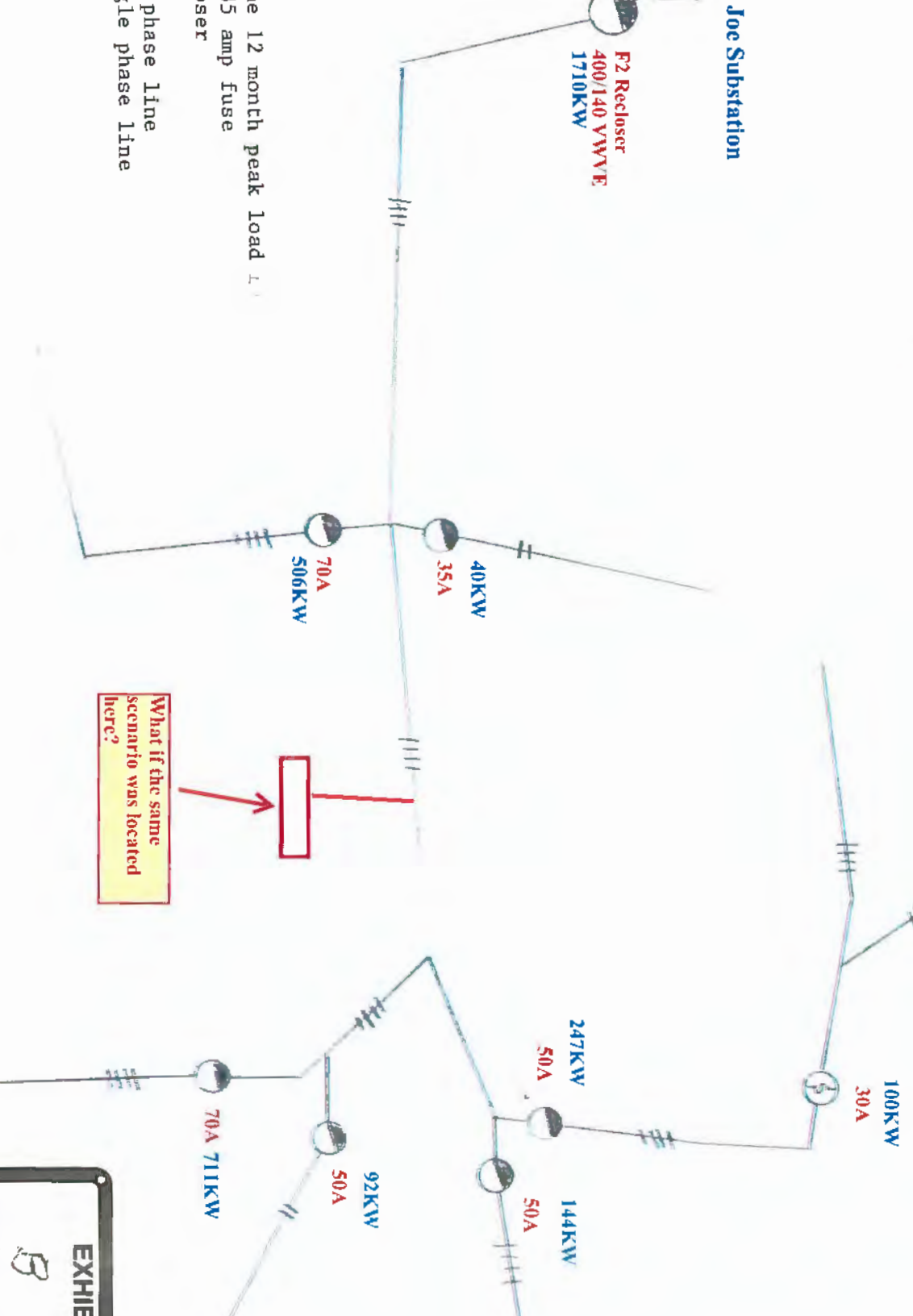
A-2

### C of Kenergy tariff on Net Metering

According to a radial distribution circuit, the aggregated generation on including the proposed generating facility, will not exceed 15% of the most recent annual one hour peak load. A line section is the smallest primary distribution system the generating facility could remain connected to any sectionalizing devices.

The proposed solar array location shown, what would be the line section, the line section KW load, to base the 15% constraint upon?

### Joe Substation



8 chicken houses located on this single phase line. Member wants to meter each house separately and install 45 KW solar at each meter, for a total of 360KW

What if the same scenario was located here?

