

**COMMONWEALTH OF KENTUCKY
BEFORE THE PUBLIC SERVICE COMMISSION**

In the Matter of:

ELECTRONIC APPLICATION OF KENTUCKY)	
UTILITIES COMPANY AND LOUISVILLE GAS)	
AND ELECTRIC COMPANY FOR)	Case No. 2025-00045
CERTIFICATES OF PUBLIC CONVENIENCE)	
AND NECESSITY AND SITE COMPATIBILITY)	
CERTIFICATES)	

N/A

**DIRECT TESTIMONY OF STACY L. SHERWOOD
ON BEHALF OF SIERRA CLUB**

June 16, 2025

**DIRECT TESTIMONY OF STACY L. SHERWOOD
ON BEHALF OF SIERRA CLUB
BEFORE THE PUBLIC SERVICE COMMISSION OF KENTUCKY**

Case No. 2025-00045

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LIST OF EXHIBITS

SS-1: Resume of Stacy Sherwood

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I. INTRODUCTION & QUALIFICATIONS

Q. PLEASE STATE YOUR NAME AND BUSINESS ADDRESS.

A. My name is Stacy Sherwood, and my business address is 10298 Route 116, Hinesburg,
Vermont 05461.

Q. BY WHOM ARE YOU EMPLOYED AND IN WHAT POSITION?

A. I am a Principal at Energy Futures Group (“EFG”).

Q. ON WHOSE BEHALF ARE YOU TESTIFYING IN THIS PROCEEDING?

A. I am testifying on behalf of the Sierra Club.

**Q. PLEASE SUMMARIZE YOUR EDUCATIONAL BACKGROUND AND
PROFESSIONAL QUALIFICATIONS.**

A. I received a Bachelor of Arts degree in Accounting, Business Administration, and Economics from McDaniel College in 2009. I have more than 15 years of experience in the energy sector, related specifically to the review and development of energy efficiency and demand response programs and policies. Recently, I have evaluated tariff impacts from large load data centers and cryptomining facilities. In October 2021, I joined Energy Futures Group as a Managing Consultant and became a Principal of the firm in 2024. Prior to joining EFG, I was employed for six years by Exeter Associates, Inc., as a Senior Analyst where I provided technical support and analysis to state and federal clients on energy efficiency, distributed resources, demand response, and renewable energy. From 2009 through 2015, I worked at the Maryland Public Service Commission as a staff member with a focus on the regulatory review of Maryland’s energy efficiency programs, known as EmPOWER Maryland. A copy of my Curriculum Vitae is provided with this testimony as Exhibit SS-1.

Q. HAVE YOU PREVIOUSLY TESTIFIED BEFORE THIS OR ANY COMMISSION?

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A. Yes, I filed expert witness testimony with the Kentucky Public Service Commission in Case Nos. 2024-00115, 2022-00424, 2022-00387, and 2022-00037. I have also filed testimony before regulatory commissions in Georgia, Kansas, Maine, Maryland, New Jersey, Louisiana, Missouri, Pennsylvania, South Carolina, Virginia, and Wisconsin.

II. PURPOSE OF TESTIMONY

Q. WHAT IS THE PURPOSE OF YOUR TESTIMONY?

A. The purpose of my testimony is to respond to Kentucky Utilities Company (“KU”) and Louisville Gas and Electric Company’s (“LG&E”) (collectively, “KU-LG&E” or the “Companies”) request for regulatory assets related to the approval of new supply side resources, address the lack of a large load tariff at the time of the CPCN request, and assess the opportunities for demand-side management (“DSM”) savings to offset a portion of projected load growth as indicated in the 2025 CPCN Load Forecast presented in this proceeding.

Q. PLEASE SUMMARIZE YOUR RECOMMENDATIONS FOR THE KENTUCKY PUBLIC SERVICE COMMISSION.

A. My recommendations include:

- If the Commission does grant the CPCNs, it should deny the regulatory asset requested for the treatment of post-in-service carrying costs, operating and maintenance expense, property tax expense, investment tax credit, and depreciation costs. The Companies are requesting this regulatory asset, even though it does not meet the Commission’s conditions for a regulatory asset, as it claims that it will be able to reduce the number of future rate cases to incorporate the requested generating assets into base rates. By doing so, the

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1 Company claims it will reduce the administrative burden on the Commission
2 and the cost of at least one rate case for ratepayers. However, the potential
3 savings of one less rate case, which averages a cost of \$3 million, would
4 result in ratepayers paying carrying costs on the regulatory asset in the
5 amount of \$406 million if the assets are in-service for 12 months before being
6 included in rate base.

- 7 • With the filing of the proposed Extremely High Load Factor (“EHLF”)
8 Service tariffs in Case Nos. 2025-00113 and 2025-00114, should the
9 Commission receive any applications for a special contract related to large
10 loads in advance of the finalization of those tariffs, the Commission should
11 ensure that the special contract includes the proper ratepayer protections and
12 that cost recovery is sufficient. Proper ratepayer protections include, but are
13 not limited to:

- 14 ○ At least a 15-year service contract with advanced notification
15 requirements for discontinuation of service and change in load
16 requirements.
- 17 ○ Collateral related to the minimum bill.
- 18 ○ Identify costs that will be covered by the customer, including
19 feasibility study costs and contributions in aid of construction; and,
- 20 ○ Establish a minimum load or power factor and minimum demand
21 charge to encourage consistent energy usage.

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- 1 ○ Establish a protocol to ensure that large load customers cover their
2 fair share of grid costs by comparing the cost of service for that
3 customer to the revenues collected.

4 **III. REGULATORY ASSETS AND RATE IMPACTS**

5 **Q. ARE THE COMPANIES REQUESTING COST RECOVERY AS PART OF THIS**
6 **PROCEEDING AND HAVE THEY PROVIDED A RATE IMPACT ANALYSIS?**

7 A. No. The Companies are not requesting cost recovery in this proceeding and therefore have
8 not provided any rate or cost impact analysis. During the construction periods of the
9 following facilities, Brown 12, Mill Creek 6, and Cane Run BESS, the Companies will
10 record their investments as a Construction Work in Progress (“CWIP”) and accrue an
11 allowance for funds used during construction (“AFUDC”).

12 **Q. WHAT IS THE COMPANY REQUESTING RELATED TO THE TREATMENT OF**
13 **COSTS?**

14 A. The Companies are requesting a regulatory asset for the treatment of the difference between
15 AFUDC at the Companies’ weighted average cost of capital and AFUDC accrued
16 methodology approved by the Federal Energy Regulatory Commission (“FERC”).¹
17 Additionally, the Companies are requesting approval for a regulatory asset for those same
18 facilities for the treatment of post-in-service carrying costs (the carrying costs are associated
19 with the capital investment for an in-service plant that have not been incorporated into rate
20 base), operating and maintenance expense, property taxes, investment tax credit
21 amortization, and depreciation expense until they are fully reflected in rate base.²

¹ Direct Testimony of Witness Conroy at 14-15.

² Ibid at 15.

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1 The Companies state that the purpose for a regulatory asset to track expense related to the
2 generation once its in-service but prior to being included in rate base is to limit the
3 administrative burden of back-to-back rate cases to include the assets requested under this
4 CPCN application into base rates. The Companies are requesting this despite not knowing
5 the timing of future rate cases or whether there is a need for multiple rate cases.³

6 **Q. DO YOU HAVE CONCERNS WITH THE REQUEST FOR A REGULATORY**
7 **ASSET FOR THE TREATMENT OF THE DIFFERENCE BETWEEN THE AFUDC**
8 **AT THE COMPANIES' WEIGHTED COST OF CAPITAL AND FERC'S**
9 **APPROVED AFUDC PROTOCOL?**

10 A. No, I do not have concerns with the Company's request for a regulatory asset for the
11 treatment of the difference between the AFUDC at the Companies' weighted cost of capital
12 and FERC's approved AFUDC protocol. This mechanism was previously approved by the
13 Commission in Case No. 2022-00402.⁴ However, if the Commission approves this regulatory
14 asset request, it should clarify that it "is not a finding that LG&E/KU can recover
15 construction costs in rates."⁵

16 **Q. DO YOU HAVE ANY CONCERNS WITH THE REQUEST FOR A REGULATORY**
17 **ASSET FOR THE TREATMENT OF POST-IN-SERVICE COSTS, OPERATING**
18 **AND MAINTENANCE EXPENSE, PROPERTY TAXES, INVESTMENT TAX**
19 **CREDIT ADMORTIZATION AND DEPRECIATION EXPENSE?**

20 A. Yes, I do have concerns with the regulatory asset requested for the treatment of post-in-
21 service costs, operating and maintenance expense, property taxes, investment tax credit

³ KU/LGE response to SC 2-28.

⁴ Order 141-142 (Ky. PSC Nov. 6, 2023).

⁵ Ibid at 142.

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1 amortization, and depreciation expense. Per the Companies, they are requesting the
2 regulatory asset to “improve administrative efficiency for the Commission and reduce rate
3 case cost for customers.”⁶ While a regulatory asset may improve administrative efficiency by
4 eliminating the need for at least one additional rate case (per the Company), the projected
5 carrying costs will significantly outweigh the minimal customer savings associated with
6 avoiding a single rate case.⁷ Per the Companies, avoiding one rate case will avoid \$3 million
7 in rate case expenses as it estimates that at least one rate case could be avoided with the
8 regulatory asset treatment.⁸ However, the \$3 million savings in rate case cost would come at
9 the carrying cost expense of \$406 million.⁹ This is calculated for each project and based on
10 12-months of carrying costs as it was requested as part of a Company response to a data
11 request. However, it is unclear how many months the regulatory asset would be in place as
12 the Companies have not indicated the timeline for incorporating the projects into rate base
13 and delays can occur with projects of this magnitude. The Companies are asking ratepayers
14 to not only bear the risk of building uncontracted additional capacity builds, but also to foot
15 the bill of \$406 million to avoid one additional rate case. It would be more cost-effective to
16 file a rate case as necessary than to approve a regulatory asset.

17 **Q. DOES THE REQUEST FOR A REGULATORY ASSET FOR THE TREATMENT OF**
18 **POST-IN-SERVICE COSTS MEET PRIOR COMMISSION APPROVAL FOR**
19 **ESTABLISHING A REGULATORY ASSET?**

20 A. No.

⁶ Direct Testimony of Witness Conroy at 15.

⁷ KU/LG&E response to SC 2-28 a.

⁸ KU/LG&E response to SC 2-28.

⁹ Ibid.

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1 “The Commission has established parameters for expenses that
2 qualify for regulatory asset treatment; the Commission has
3 approved regulatory assets when a utility has incurred:

4 1) an extraordinary, non-recurring expense which could not
5 have reasonably been anticipated or included in the utility’s
6 planning;

7 2) an expense resulting from a statutory or administrative
8 directive;

9 3) an expense in relation to an industry sponsored initiative;
10 or

11 4) an extraordinary or nonrecurring expense that over time
12 will result in a savings that fully offsets the cost.”¹⁰

13 Here, the costs being requested for the regulatory asset for the post-in-service costs are
14 recurring expenses, not the result of a statutory or administrative directive or an industry
15 sponsored initiative such as storm costs, and will not result in savings that will offset the
16 costs. Accordingly, the Companies’ post-in-service carrying costs, operations and
17 maintenance expense, property taxes, investment tax credit amortization, and depreciation
18 expense do not qualify for regulatory asset treatment under this Commission’s precedent.

19 Nor have the Companies provided arguments as to why this request for a regulatory asset
20 meets any of the conditions for an approved regulatory asset.

21 **Q. DO YOU HAVE ANY ADDITIONAL CONCERNS?**

22 A. Yes, I do. The Companies have not performed any cost or rate impact analysis for these
23 CPCN requests, for either the capital costs associated with the generating stations nor the
24 associated transmission. While cost recovery is not currently being requested, the Companies
25 should inform the Commission of the level of risk for pursuing these uncontracted capacity
26 builds for existing ratepayers in the event that the Companies’ forecasted loads do not
27 materialize. If the Commission were to approve the CPCN requests, it would add \$3.7 billion

¹⁰ Case No. 2022-00402, Order 138 (Ky. PSC Nov. 6, 2023).

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1 to the Companies' existing rate bases (as of 2024) of \$12.5 billion, which is a 30% increase
2 to the rate bases. The impact to the LG&E rate base will be more significant, as it will
3 recognize \$3 billion increase to its existing \$5.5 billion rate base (2024), or a 55% increase to
4 the rate base.¹¹ If the CPCNs are granted and the generating facilities are built but the loads
5 do not materialize, existing ratepayers could be burdened with significant costs and increased
6 rates.

7 Performing a back of the envelope calculation, I assessed for each Company the potential bill
8 impact of only the capital costs for the CPCNs based on 2023 customer usage (reflecting no
9 load materializing as anticipated by the Companies) and the rate base allocation by customer
10 class based upon the 2020 rate cases for the Companies.¹² This means the calculation does
11 not include the carrying costs, the Company's return, property taxes, operational expenses,
12 depreciation, etc. that would be associated with the generation assets, which means the cost
13 impact will be greater. For KU, the allocation to the residential customer class was 47% of
14 the capital costs, which is equivalent to a residential KU customer experiencing an average
15 bill increase of \$24.70 per year.¹³ For LG&E, the allocation to the residential customer class
16 was 53% of the capital costs, which is equivalent to a residential LG&E customer

¹¹ Case No. 2022-00402, Order 138 (Ky. PSC Nov 6, 2023).

¹² Rate base allocation is determined using the cost of service studies provided in the Electronic Application of Kentucky Utilities Company for an Adjustment of Its Electric Rates, a Certificate of Public Convenience and Necessity to Deploy Advanced Meter Infrastructure, Approval of Certain Regulatory and Accounting Treatments, and Establishment of a One-Year Surcredit, Case No. 2020-00349, Direct Testimony of William Steven Seelye (Ky. PSC filed Nov. 25, 2020); Case No. 2020-00349, KU Response to Commission Staff's First Request for Information, No. 56, Multiple Attachments (Ky. PSC filed Dec. 5, 2020) (attachments that include Exhibit WSS-in filename) 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 Meter Infrastructure, Approval of Certain Regulatory and Accounting Treatments, and Establishment of a One-Year Surcredit, Case No. 2020-00350, Direct Testimony of William Steven Seelye (Ky. PSC filed Nov. 25, 2020); Case No. 2020-00350, LG&E Response to Commission Staff's First Request for Information, No. 56, Multiple Attachments (Ky. PSC filed Dec. 5, 2020) (attachments that include Exhibit WSS-in filename. 2023 customer usage is provided in the U.S. Energy Information Administration's Form 861 file labeled Sales Ultimate Customer for 2023.

¹³ This calculation utilizes the residential average bill of 1,035 kWh/month based on EIA-861 data for 2023 and assumes a 30-year life for the capital costs.

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experiencing an average bill increase of \$138.67 per year.¹⁴ This is summarized in Table 1 below. If the forecasted loads do not materialize at the levels projected by the Companies but the generating facilities are built, there will be significant rate increases for existing customers.

Company	Estimated Annual Rate Base Allocation to Residential Customer Class	Estimated Residential Customer Class \$/kWh	Estimated Residential Customer Class Monthly Bill Impact	Estimated Residential Customer Annual Bill Impact
KU	\$11 million	\$0.001856	\$1.92	\$23.05
LG&E	\$52.9 million	\$0.0135	\$11.56	\$138.67

Table 1 Residential Impact of Capital Costs If No Additional Load Materializes

Q. WHAT IS YOUR RECOMMENDATION REGARDING THE REGULATORY ASSETS?

A. As noted in Witness Hotaling's direct testimony, she recommends that the Commission deny the CPCN requests for Brown 12, Mill Creek 6, and the Cane Run BESS. However, if the Commission approves one or more the of the CPCNs, I recommend that the Commission approve the Companies' request for a regulatory asset requested for the difference between the AFUDC accrued at the Companies' weighted average cost of capital and AFUDC accrued using the FERC approved methodology, noting that approval of the regulatory asset is not approval of cost recovery.

I recommend that the Commission deny the Companies' request for a regulatory asset requested for the post-in-service carrying costs, operations and maintenance expense, property taxes, investment tax credit amortization, and depreciation expense associated with

¹⁴ This calculation utilizes the residential average bill of 867 kWh/month based on EIA-861 data for 2023 and assumes a 30-year life for the capital costs.

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1 Brown 12, Mill Creek 6, and the Cane Run BESS. The Company should come in for a rate
2 case when necessary, instead of burdening ratepayers with carrying costs incurred through a
3 regulatory asset to limit the number of rate cases. Furthermore, the Companies do not know
4 for certain when, if the generating resources are built, will be in-service. The potential for
5 frequent rate cases should not place the burden of carrying costs associated with a regulatory
6 asset on ratepayers.

IV. NEW LARGE LOAD ASSUMPTIONS

**Q. WHAT IS DRIVING THE LARGE LOAD INCREASE TO BE SERVED BY THESE
CPCN REQUESTS?**

A. The Companies' responses to requests for information confirm that the primary driver of
increased demand in the 2025 CPCN Load Forecast is the 1,750 MW of data center load that
is not based on any specific prospective data center customers, as there are no signed electric
service agreements at this time.¹⁵ This is supported by the Companies response to KU/LG&E
Response to PSC 1-17, which states:

The 1,750 MW of data center load included in the 2025 CPCN Load
Forecast does not consist of specific data center projects; rather, it is a
reasonable estimate of how much of the more than 6,000 MW of potential
data center load in the Companies' current queue will come to fruition in
the near term.

**Q. DO THE COMPANIES HAVE AN APPROVED TARIFF RELATED TO PROVIDING
SERVICE TO LARGE LOAD CUSTOMERS, SUCH AS DATA CENTERS?**

A. No, the Companies do not. On May 30, 2025, the Companies filed respective Extremely
High Load Factor ("EHLF") Service tariffs in Case Nos. 2025-00113 and 2025-00114 for

¹⁵ KU/LG&E response to PSC1-18 and KU/LG&E response to AG-KIIUC 1-35(c).

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Commission approval. While the Companies' tariff filings, including some protections for existing ratepayers while ensuring the large loads pay their fair share of system costs, are a step in the right direction, these tariffs should have been established prior to requesting the CPCNs. The Companies have indicated that if a large load customer that would qualify under the proposed tariff is seeking service prior to the approval of the EHLF, then it would pursue a special contract.¹⁶

Q. DO THE COMPANIES PLAN ON OFFERING SERVICE TO LOADS THAT WOULD QUALIFY UNDER THE EHLF TARIFF UNDER ANOTHER TARIFF?

A. Yes. The Companies indicated that if a customer desires to take service prior to approval of the EHLF tariff, that it will seek Commission approval for a special contract.

Q. DO YOU HAVE CONCERNS WITH THIS APPROACH?

A. Yes, I do. While I understand that the Companies have an obligation to serve customers, there is potential that a special contract may not properly address the ratepayer protections and ensure fair recovery of system costs resulting from the large load customer. The Companies have been aware of the interest from data centers in their service territory for several years based upon their reported queue.¹⁷ It's unclear why the Companies opted to file for CPCNs to serve potential customers that have not made a commitment prior to requesting the Commission approve the EHLF tariff. Kentucky Power Company filed its new large load tariff with the Commission for approval on August 30, 2024.¹⁸

¹⁶ KU/LG&E response to AG-KIUC 3-5.

¹⁷ In November 2023, the Companies received a request for a 350 MW data center. KU/LG&E response to AG-KIUC 1-33A.

¹⁸ Case No. 2024-00830, https://psc.ky.gov/pscscf/2024%20cases/2024-00305/20240830_Kentucky%20Power%20Tariff%20Filing.pdf.

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1 The current process (CPCN filing prior to large load tariff) is the incorrect order to limit risk
2 to existing ratepayers and creates administrative burdens that could result in multiple special
3 contracts, that are likely confidential, to be negotiated by the parties, and approved by the
4 Commission on a case-by-case basis.

5 Large load tariff design is one element that influences whether prospective loads move
6 forward to locating within a service territory, among other factors. While a special contract
7 option is available, any certainty of prospective data center load coming to fruition is likely
8 dependent on the outcome of the rate cases filed on May 30, 2025.

9 **Q. DO YOU HAVE ANY RECOMMENDATIONS RELATED TO SPECIAL**
10 **CONTRACT APPROVAL PRIOR TO THE APPROVAL OF THE EHLF TARIFF?**

11 A. Yes, I do. The Commission should ensure that special contracts include protections for
12 existing customers and ensure that the customer being served under the special contract pays
13 their fair share of the system costs. Any special contracts should at a minimum include:

- 14 • At least a 15-year service contract with advanced notification requirements for
15 discontinuation of service and change in load requirements;
- 16 • Collateral related to the minimum bill;
- 17 • Identify costs that will be covered by the customer, including feasibility study
18 costs and contributions in aid of construction; and,
- 19 • Establish a minimum load or power factor and minimum demand charge to
20 encourage consistent energy usage. Consistent energy usage ensures that the
21 utility can adequately recover the fixed costs to serve the customer.
- 22 • Establish a protocol to ensure that large load customers cover their fair share of
23 grid costs by comparing the cost of service for that customer to the revenues

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1 collected. In Missouri, the comparison of these costs and revenues is required as
2 part of rate cases.¹⁹

3 In addition to the minimum provisions above, the Commission should consider the
4 provisions proposed in the EHLF when reviewing special contracts proposed prior to a
5 Commission order on the EHLF tariff.

VI. CONCLUSION

7 **Q. OVERALL, WHAT ARE YOUR RECOMMENDATIONS TO THE COMMISSION**
8 **IN THIS PROCEEDING?**

9 A. My recommendations include:

- 10 • If the Commission does grant the CPCNs, it should deny the regulatory asset
11 requested for the treatment of post-in-service carrying costs, operating and
12 maintenance expense, property tax expense, investment tax credit, and
13 depreciation costs. The Companies are requesting this regulatory asset, even
14 though it does not meet the Commission's conditions for a regulatory asset,
15 as it claims that it will be able to reduce the number of future rate cases to
16 incorporate the requested generating assets into base rates. By doing so, the
17 Company claims it will reduce the administrative burden on the Commission
18 and the cost of at least one rate case for ratepayers. However, the potential
19 savings of one less rate case, which averages a cost of \$3 million, would
20 result in ratepayers paying carrying costs on the regulatory asset in the

¹⁹ Evergy Missouri Metro Special High-Load Factor Market Rate Schedule MKT, https://www.evergy.com/-/media/documents/billing/missouri/detailed_tariffs_mo/special-high-load-factor-market-rate.pdf, Original Sheet 58C, provision 4.

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1 amount of \$406 million if the assets are in-service for 12 months before being
2 included in rate base.

- 3 • With the filing of the proposed Extremely High Load Factor (“EHLF”)
4 Service tariffs in Case Nos. 2025-00113 and 2025-00114, should the
5 Commission receive any applications for a special contract related to large
6 loads in advance of the finalization of those tariffs, the Commission should
7 ensure that the special contract includes the proper ratepayer protections and
8 that cost recovery is sufficient. Proper ratepayer protections include, but are
9 not limited to:

- 10 ○ At least a 15-year service contract with advanced notification
11 requirements for discontinuation of service and change in load
12 requirements.
13 ○ Collateral related to the minimum bill.
14 ○ Identify costs that will be covered by the customer, including
15 feasibility study costs and contributions in aid of construction; and,
16 ○ Establish a minimum load or power factor and minimum demand
17 charge to encourage consistent energy usage.
18 ○ Establish a protocol to ensure that large load customers cover their
19 fair share of grid costs by comparing the cost of service for that
20 customer to the revenues collected.

21 **Q. DOES THIS CONCLUDE YOUR TESTIMONY?**

22 A. Yes.

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BEFORE THE PUBLIC SERVICE COMMISSION**

In the Matter of:

ELECTRONIC APPLICATION OF KENTUCKY)	
UTILITIES COMPANY AND LOUISVILLE GAS)	
AND ELECTRIC COMPANY FOR)	
CERTIFICATES OF PUBLIC CONVENIENCE)	Case No. 2025-00045
AND NECESSITY AND SITE COMPATIBILITY)	
CERTIFICATES)	

**AFFIDAVIT OF STACY L. SHERWOOD
IN SUPPORT OF DIRECT TESTIMONY ON BEHALF OF SIERRA CLUB**

COMMONWEALTH OF) Virginia
~~**KENTUCKY**~~ COUNTY OF) Fairfax

Stacy Lynn Sherwood 06/16/2025

Stacy L. Sherwood

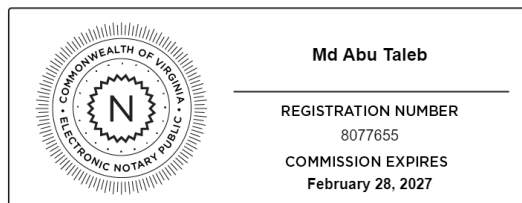
SUBSCRIBED, ACKNOWLEDGED, AND SWORN to before me by Stacy L.
Sherwood this 16th day of June, 2025.



Notary Public

Notary ID No.: 8077655

My Commission expires: 02/28/2027



Notarized remotely online using communication technology via Proof.

PROFESSIONAL SUMMARY

Stacy Sherwood brings over 15 years of experience in the energy industry, specializing in energy efficiency (EE), demand response (DR), automated metering infrastructure (AMI), cost recovery, and renewable energy. Stacy has testified or provided comments before the public service commissions of Kentucky, Louisiana, Maryland, and Missouri, the Kansas Corporation Commission, the Virginia State Corporation Commission, and the public utilities commissions of Maine, Pennsylvania and Rhode Island on AMI, EE, protections for cryptocurrency related load growth, and reasonableness of revenue increases. Throughout her career, Stacy has evaluated various electric and natural gas EE and DR plans; potential studies; evaluation, measurement, and verification reports; and riders for cost recovery. In particular, she has specialized in the design of low-income EE programs in Arkansas, Maryland, and Pennsylvania. Stacy has also testified in 15 cases related to the reasonableness of revenue requirements in Maine, Pennsylvania, and Rhode Island.

Since joining EFG in October 2021, Stacy has immersed herself in Connecticut's energy goals and policy and has established relationships with all stakeholders relevant to Connecticut's energy efficiency and demand response programs. She serves as the team lead and senior technical consultant on behalf of the Connecticut Energy Efficiency Board, which provides oversight of the state's energy efficiency programs. Through her work in Connecticut, Kentucky, and Maryland, she has evaluated the impacts of EE programs and other policies as it relates to environmental justice. More recently, she has begun providing support to jurisdictions on establishing a cost-benefit framework to evaluate distributed energy resources (DERs) and identifying safeguards related to large loads, such as data centers and cryptomining.

EXPERIENCE

2024-Present: Principal, Energy Futures Group, Hinesburg, VT

2021-2023: Managing Consultant, Energy Futures Group, Hinesburg, VT

2015-2021: Senior Analyst, Exeter Associates, Inc., Columbia, MD

2013-2015: Assistant Director of Energy, Analysis, and Planning Division, Maryland Public Service Commission, Baltimore, MD

2011-2013: Regulatory Economist II, Maryland Public Service Commission, Baltimore, MD

2009-2011: Regulatory Economist I, Maryland Public Service Commission, Baltimore, MD

EDUCATION

B.A., Business Administration, Economics, Accounting/Economics, McDaniel College, 2009

SELECTED PROJECTS

- **Connecticut Energy Efficiency Board.** Lead Technical Consultant on the oversight of the state's electric and gas residential energy efficiency programs. Work closely with the state's utilities to develop, implement, and evaluate cost-effective program designs and goals for the Three-Year Conservation and Load Management Plan. (2021-Present)
- **Natural Resources Defense Council.** Filed testimony before the Kansas Corporation Commission to support the adoption of energy efficiency programs for the first time in the Evergy service territory. Worked with parties to negotiate program design and implementation, as well as the performance incentive mechanism. (2021-2022)
- **Louisiana Public Service Commission.** Filed testimonies evaluating the reasonableness of automated metering infrastructure implementation plans by Concordia Electric Cooperative, Inc., Southwest Louisiana Electric Membership Corporation, and Point Coupee Electric Membership Corporation. (2020-2021)
- **Pennsylvania Office of Consumer Advocate.** Reviewed and commented on potential studies utilized to develop energy efficiency and demand response targets for Phase III and IV of the Act 129 Energy Efficiency and Conservation (EE&C) Program. Provided written testimony on utility EE&C five-year plans. (2015-2021, 2023-2024)
- **Arkansas Attorney General's Consumer Utility Rate Advocacy Division.** Drafted a dedicated limited income EE program strawman implemented on a pilot basis by the electric and natural gas utilities. (2018-2020)
- **Arkansas Attorney General's Consumer Utility Rate Advocacy Division.** Participated in Parties Working Collaboratively (PWC) group regarding the electric

and natural gas EE programs. Provided comments on three-year plans, annual progress reports, and evaluation, measurement, and verification reports. (2017-2021)

- **Maryland Public Service Commission Staff.** Developed templates and directed work groups related to the implementation of the electric and natural gas EmPOWER Maryland EE and DR programs. Evaluated the semi-annual reports and three-year plans filed by the utilities and submitted comments regarding plan recommendations before the Maryland Public Service Commission. (2009-2015)

EXPERT TESTIMONY

Before the Georgia Public Service Commission, Docket Nos. 56002 and 56003, *In Re: Georgia Power Company's 2025 Integrated Resource Plan and Georgia Power Company's 2025 Application for the Certification, Decertification, and Amended Demand-Side Management Plan*, May 2, 2025, on behalf of Georgia Interfaith Power & Light and Southface Energy Institute. Testified regarding the reasonableness of the proposed DSM plan and to support additional energy efficiency and demand savings as part of the Integrated Resource Plan.

Before the Pennsylvania Public Utilities Commission, Docket No. M-2024-3048418, *Petition of UGI Utilities, Inc. – Gas Division for Approval of its Phase II Energy Efficiency and Conservation Plan*, February 2025, on behalf of the Pennsylvania Office of Consumer Advocate. Testified regarding reasonableness of proposed Plan. (Case settled prior to cross-examination.)

Before the Public Service Commission of Wisconsin, Case No. 6630-CE-317, *Application of Wisconsin Electric Power Company for a Certificate of Public Convenience and Necessity to Construct and Operate the South Oak Creek Combustion Turbine Project in the City of Oak Creek, Milwaukee County, Wisconsin*, February 2025, on behalf of Clean Wisconsin. Testified on increased need for energy efficiency in the Wisconsin Electric Power Company service territory. (Ongoing).

Before the Public Service Commission of Wisconsin, Case No. 6630-CE-316, *Application of Wisconsin Electric Power Company for a Certificate of Public Convenience and Necessity to Construct and Operate the Paris Reciprocating Internal Combustion Engines Project, Consisting of Seven Natural Gas-Fired Reciprocating Internal Combustion Engines Generating up to 128 MW Total at the Lakeshore Capacity Improvement Project Regulator Station in the Town of Paris, Kenosha County, Wisconsin*, December 2024, on behalf of Clean Wisconsin. Testified on increased need for energy efficiency in the Wisconsin Electric Power Company service territory. (Ongoing).

Before the Kentucky Public Service Commission, Case No. 2024-00115, *In the matter of Electronic Application of Kentucky Power Company For: (1) Approval to Expand its Targeted Energy Efficiency Program; (2) Approval of a Home Energy Improvement Program and a Commercial Energy Solutions Program; (3) Authority to Recover Costs and Net Lost Revenues, and to Receive Incentives Associated with the Implementation of its Demand Side Management/Energy Efficiency Programs; (4) Approval of Revised Tariff D.S.M.C.; (5) Acceptance of its Annual DSM Status Report; and (6) All Other Required Approvals and Relief*, May 2024, on behalf of Mountain Association, Appalachian Citizens' Law Center, Kentuckians for the Commonwealth, and Kentucky Solar Energy Society. Testified on the reasonableness of the proposed demand side management programs and cost recovery mechanism.

Before the Public Service of South Carolina Docket No. 2023-388-E, *In the matter of Application of Duke Energy Carolinas, LLC for Authority to Adjust and Increase its Electric Rates, Adjustments in Electric Rate Schedules and Tariffs, and Request for an Accounting Order*, April 2024, on behalf of the South Carolina Conservation League, Southern Alliance for Clean Energy, and Vote Solar. Testified regarding impact of rate increase on customer energy burden and the benefits of energy efficiency to offset rate impact.

Before the Commonwealth of Virginia State Corporation Commission Case No. PUR-2023-000169, *Petition of Appalachian Power Company for approval to continue a rate adjustment clause, the EE-RAC, and for approval of new energy efficiency programs pursuant to § 56-585.1 A 5 c and 56-596.2 of the Code of Virginia*, March 2024, on behalf of the Appalachian Voices. Testified regarding reasonableness of proposed Plan.

Before the Public Service Commission of the State of Missouri, File No. EO-2023-0136, *In the matter of Union Electric Company d/b/a Ameren Missouri's 4th Filing to Implement Regulatory Changes in Furtherance of Energy Efficiency as Allowed by MEEIA*, March 2024, on behalf of the National Resources Defense Council. Testified regarding reasonableness of proposed Plan.

Before the Pennsylvania Public Utilities Commission, Docket No. M-2023-3043230, *Petition of UGI Utilities, Inc. – Electric Division for Approval of its Energy Efficiency and Conservation Plan*, September 2023, on behalf of the Pennsylvania Office of Consumer Advocate. Testified regarding reasonableness of proposed Plan. (Case settled prior to cross-examination.)

Before the Commonwealth of Kentucky before the Public Service Commission, Case No. 2022-00424, *In the Matter of Electronic Tariff Filing of Kentucky Power Company for Approval of a Special Contract Under Its Economic Development Rider and Demand Response Service Tariffs with Cyber Innovation Group, LLC.*

on behalf of the Mountain Association, Kentuckians for the Commonwealth, Appalachian Citizens' Law Center, Sierra Club, and Kentucky Resources Council. Testified on the merits of providing an economic development discount rate to a proposed crypto mining facility as it relates to ratepayer risk.

Before the Commonwealth of Kentucky before the Public Service Commission, Case No. 2022-00387, *In the Matter of Electronic Tariff Filing of Kentucky Power Company for Approval of a Special Contract with Ebon International, LLC.*, on behalf of the Mountain Association, Kentuckians for the Commonwealth, Appalachian Citizens' Law Center, Sierra Club, and Kentucky Resources Council, Inc. Testified on the merits of providing an economic development discount rate to a proposed crypto mining facility as it relates to ratepayer risk.

Before the Commonwealth of Kentucky before the Public Service Commission, Case No. 2022-00037, *In the Matter of Electronic Tariff Filing of Kentucky Utilities Company for Approval of an Economic Development Rider Special Contract with Bitiki-KY, LLC.*, on behalf of Kentuckians for the Commonwealth, Kentucky Solar Energy Society, Mountain Association, and Kentucky Resources. Testified on the merits of providing an economic development discount rate to a proposed crypto mining facility as it relates to ratepayer risk.

Before the State of Maine Public Utilities Commission, Docket No. 2022-0025 *Versant Power Request for Approval of a Distribution Rate Change – 307*, December 2022, for Maine Office of Consumer Advocate. Testified regarding the reasonableness of the overall revenue increase.

Before the Kansas Corporation Commission, Docket No. 22-EKME-254-TAR *In the Matter of the Application of Evergy Kansas Metro, Inc., Evergy Kansas South, Inc. and Evergy Kansas Central, Inc. for Approval of its Demand-Side Management Portfolio Pursuant to the Kansas Energy Efficiency Investment Act ("KEEIA")*, K.S.A. 66-1283, June 2022, for Natural Resources Defense Council. Testified regarding reasonableness of the proposed Plan and its compliance with the KEEIA Act.

Before the Louisiana Public Service Commission, Docket No. U-35877 *Pointe Coupee Electric Membership Corporation Application to Acquire and Install an Automated Metering System and Request for Cost Recovery and Related Relief*, February 2021, for the Louisiana Public Service Commission Staff. Testified regarding the implementation of automated metering infrastructure to replace current meters. (Case settled prior to cross-examination.)

Before the Pennsylvania Public Utilities Commission, Docket No. M-2020-3020818, *Petition of Duquesne Light Company for Approval of its Energy Efficiency and Conservation Phase IV Plan*, January 2021, on behalf of the Pennsylvania Office

of Consumer Advocate. Testified regarding reasonableness of the proposed Plan and its compliance with Pennsylvania Act 129. (Case settled prior to cross-examination.)

Before the Pennsylvania Public Utilities Commission, Docket No. M-2020-3020830, *Petition of PECO Energy Company for Approval of its Energy Efficiency and Conservation Phase IV Plan*, January 2021, on behalf of the Pennsylvania Office of Consumer Advocate. Testified regarding reasonableness of the proposed Plan and its compliance with Pennsylvania Act 129. (Case settled prior to cross-examination.)

Before the Pennsylvania Public Utilities Commission, Docket No. M-2020-3020824, *Petition of PPL Electric Utilities for Approval of its Energy Efficiency and Conservation Phase IV Plan*, January 2021, on behalf of the Pennsylvania Office of Consumer Advocate. Testified regarding reasonableness of the proposed Plan and its compliance with Pennsylvania Act 129. (Case settled prior to cross-examination.)

Before the Louisiana Public Service Commission, Docket No. U-35707 Southwest Louisiana Electric Membership Corporation *Application for Approval to Acquire and Install an Automated Metering System and Request for Cost Recovery and Related Relief*, December 2020, for the Louisiana Public Service Commission Staff. Testified regarding the implementation of automated metering infrastructure to replace current meters. (Case settled prior to cross-examination.)

Before the Pennsylvania Public Utilities Commission, Docket No. R-2020-3020919 *Pennsylvania Public Utility Commission v. Audubon Water Company*, November 2020, for the Pennsylvania Office of Consumer Advocate. Testified regarding reasonableness of the overall revenue increase. (Case settled prior to cross-examination.)

Before the Pennsylvania Public Utilities Commission, Docket No. R-2020-3020256 *Pennsylvania Public Utility Commission v. City of Bethlehem – Water Department*, November 2020, for the Pennsylvania Office of Consumer Advocate. Testified regarding reasonableness of the overall revenue increase. (Case settled prior to cross-examination.)

Before the Louisiana Public Service Commission, Docket No. U-35456 Concordia Electric Cooperative Inc. *Application for Certification of a Replacement Advanced Metering System and Approval of Related Financing*, November 2020, for the Louisiana Public Service Commission Staff. Testified regarding the implementation of automated metering infrastructure to replace current meters. (Case settled prior to cross-examination.)

Before the Pennsylvania Public Utilities Commission, Docket No. R-2020-3019612
Pennsylvania Public Utility Commission v. Reynolds Disposal Company, October 2020, for the Pennsylvania Office of Consumer Advocate. Participated in mediation regarding reasonableness of the overall revenue increase.

Before the Pennsylvania Public Utilities Commission, Docket No. R-2019-3010955
Pennsylvania Public Utility Commission v. City of Lancaster – Sewer Fund, October 2019, for the Pennsylvania Office of Consumer Advocate. Testified regarding reasonableness of the overall revenue increase.

Before the Pennsylvania Public Utilities Commission, Docket No. R-2019-3008208
Pennsylvania Public Utility Commission v. Wellsboro Electric Company, October 2019, for the Pennsylvania Office of Consumer Advocate. Testified regarding reasonableness of the overall revenue increase.

Before the Pennsylvania Public Utilities Commission, Docket No. R-2019-3008209
Pennsylvania Public Utility Commission v. Valley Energy, Inc., October 2019, for the Pennsylvania Office of Consumer Advocate. Testified regarding reasonableness of the overall revenue increase.

Before the Pennsylvania Public Utilities Commission, Docket No. R-2019-3008212,
Pennsylvania Public Utility Commission v. Citizens' Electric Company of Lewisburg, PA, October 2019, for the Pennsylvania Office of Consumer Advocate. Testified regarding reasonableness of the overall revenue increase.

Before the Pennsylvania Public Utilities Commission, Docket No. R-2019-3009559,
Pennsylvania Public Utility Commission v. Eaton Sewer & Water Company, Inc. – Wastewater Division, August 2019, for the Pennsylvania Office of Consumer Advocate. Participate in mediation regarding reasonableness of the overall revenue increase.

Before the Pennsylvania Public Utilities Commission, Docket No. R-2019-3009567,
Pennsylvania Public Utility Commission v. Eaton Sewer & Water Company, Inc. – Water Division, August 2019, for the Pennsylvania Office of Consumer Advocate. Participate in mediation regarding reasonableness of the overall revenue increase.

Before the Pennsylvania Public Utilities Commission, Docket No. R-2019-3008947,
Pennsylvania Public Utility Commission v. Community Utilities of Pennsylvania Inc. Water Division, July 2019, for the Pennsylvania Office of Consumer Advocate. Testified regarding reasonableness of the overall revenue increase. (Case settled prior to cross-examination.)

Before the Pennsylvania Public Utilities Commission, Docket No. R-2019-3008948, *Pennsylvania Public Utility Commission v. Community Utilities of Pennsylvania Inc. Wastewater Division*, July 2019, for the Pennsylvania Office of Consumer Advocate. Testified regarding reasonableness of the overall revenue increase. (Case settled prior to cross-examination.)

Before the Pennsylvania Public Utilities Commission, Docket No. R-2019-3006904, *Pennsylvania Public Utility Commission v. The Newtown Artesian Water Company (Supplement No. 136 to Tariff Water – Pa. P.U.C. No. 9)*, March 2019, for the Pennsylvania Office of Consumer Advocate. Testified regarding reasonableness of the overall revenue increase. (Case settled prior to cross-examination.)

Before the Pennsylvania Public Utilities Commission, Docket No. R-2018-3006814, *Pennsylvania Public Utility Commission v. UGI Utilities, Inc – Gas Division (Utility Code 123100, Filed Tariff Gas- Pa. P.U.C. Nos. 7 and 7S)*, January 2019, on behalf of the Pennsylvania Office of Consumer Advocate. Testified regarding reasonableness of its proposed consolidated natural gas energy efficiency plan. (Case settled prior to cross-examination.)

Before the Pennsylvania Public Utilities Commission, Docket No. M-2018-3004144, *Petition of UGI Utilities, Inc. – Electric Division for Approval of its Energy Efficiency and Conservation Plan*, August 2018, on behalf of the Pennsylvania Office of Consumer Advocate. Testified regarding reasonableness of proposed Plan. (Case settled prior to cross-examination.)

Before the Pennsylvania Public Utilities Commission, Docket No. R-2018-3001307, *Pennsylvania Public Utility Commission v. Hidden Valley Utility Services, L.P. – Wastewater (General Rate Increase Filed Pursuant to 66 PS. CS 1308, Including Answers to 52 PA. Code 53.52)*, April 2018, on behalf of the Pennsylvania Office of Consumer Advocate. Testified regarding the reasonableness of the overall revenue increase.

Before the Pennsylvania Public Utilities Commission, Docket No. R-2018-3001306, *Pennsylvania Public Utility Commission v. Hidden Valley Utility Services, L.P. – Water (General Rate Increase Filed Pursuant to 66 PS. CS 1308, Including Answers to 52 PA. Code 53.52)*, April 2018, on behalf of the Pennsylvania Office of Consumer Advocate. Testified regarding the reasonableness of the overall revenue increase.

Before the Pennsylvania Public Utilities Commission, Docket No. P-2015-2497267, *Petition of Duquesne Light Company for Approval of its Smart Meter Procurement and Installation Plan*, February 2016, on behalf of the Pennsylvania

Office of Consumer Advocate. Testified regarding the inclusion of additional costs related to the Plan's implementation.

Before the Pennsylvania Public Utilities Commission, Docket No. M-2015-2477174, *Petition of UGI Utilities, Inc. – Electric Division for Approval of Phase II of its Energy Efficiency and Conservation Plan*, February 2016, on behalf of the Pennsylvania Office of Consumer Advocate. Testified regarding reasonableness of proposed Plan. (Case settled prior to cross-examination.)

Before the Pennsylvania Public Utilities Commission, Docket No. M-2015-2515642, *Petition of PPL Electric Utilities for Approval of its Energy Efficiency and Conservation Phase II Plan*, January 2016, on behalf of the Pennsylvania Office of Consumer Advocate. Testified regarding reasonableness of the proposed Plan and its compliance with Pennsylvania Act 129. (Case settled prior to cross-examination.)

Before the Pennsylvania Public Utilities Commission, Docket No. M-2015-2515375, *Petition of Duquesne Light Company for Approval of its Energy Efficiency and Conservation Phase II Plan*, January 2016, on behalf of the Pennsylvania Office of Consumer Advocate. Testified regarding reasonableness of the proposed Plan and its compliance with Pennsylvania Act 129. (Case settled prior to cross-examination.)

Before the Public Utilities Commission of Rhode Island, Docket No. 4595, *Newport Water Division – Rate Application to Collect Additional Revenues of \$1,304,595 for a Total Cost of Service of \$20,151,440*, December 2015, on behalf of the Division of Public Utilities and Carriers. Testified regarding reasonableness of the overall rate revenue increase.

Before the Maryland Public Service Commission, Case No. 9311, *In the Matter of the Application of Potomac Electric Power Company for an Increase in its Retail Rates For the Distribution of Electric Energy*, April 2013, on behalf of the Maryland Public Service Commission Staff. Testified regarding the inclusion of advanced metering infrastructure meters and energy advisor and engineer positions in rates.