

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 AND APPROVAL OF	)	CASE NO. 2025-00113
CERTAIN REGULATORY AND ACCOUNTING	)	
TREATMENTS	)	

RESPONSE OF
KENTUCKY UTILITIES COMPANY
TO
THE KENTUCKY SOLAR INDUSTRIES ASSOCIATION, INC.'S 2ND
SUPPLEMENTAL REQUEST FOR INFORMATION

DATED SEPTEMBER 12, 2025

FILED: SEPTEMBER 23, 2025

VERIFICATION

COMMONWEALTH OF KENTUCKY)
)
COUNTY OF JEFFERSON)

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



Robert M. Conroy

Subscribed and sworn to before me, a Notary Public in and before said County and State, this 22nd day of September 2025.

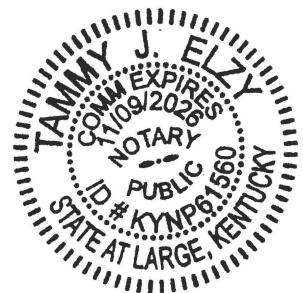


Notary Public

Notary Public ID No. KYNP61560

My Commission Expires:

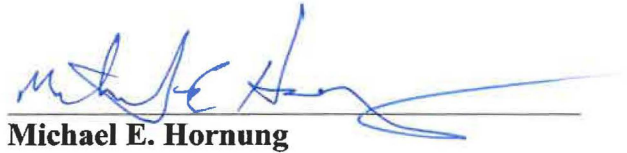
November 9, 2026



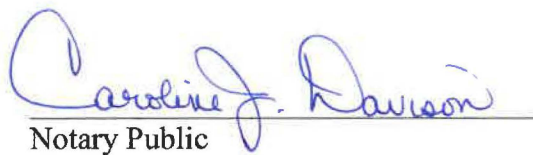
VERIFICATION

COMMONWEALTH OF KENTUCKY)
)
COUNTY OF JEFFERSON)

The undersigned, **Michael E. Hornung**, being duly sworn, deposes and says that he is Manager of Pricing/Tariffs for LG&E and KU Services Company, that he has personal knowledge of the matters set forth in the responses for which he is identified as the witness, and the answers contained therein are true and correct to the best of his information, knowledge, and belief.


Michael E. Hornung

Subscribed and sworn to before me, a Notary Public in and before said County and State, this 17th day of September 2025.


Notary Public

Notary Public ID No. KYNP63286

My Commission Expires:

January 22, 2027



VERIFICATION

COMMONWEALTH OF
MASSACHUSETTS
COUNTY OF MIDDLESEX

)
)
)

The undersigned, **Timothy S. Lyons**, being duly sworn, deposes and says that he is a Partner with ScottMadden Inc., that he has personal knowledge of the matters set forth in the responses for which he is identified as the witness, and the answers contained therein are true and correct to the best of his information, knowledge and belief.

Timothy S. Lyons

Timothy S. Lyons

On this 18th day of September, 2025, before me, the undersigned notary public, personally appeared **Timothy S. Lyons**, proved to me through satisfactory evidence of identification, which were Driver's License, to be the person whose name is signed on the preceding or attached document in my presence.

(seal)



Michelle Jordan

Notary Public Signature

COMMONWEALTH OF KENTUCKY)
)
COUNTY OF JEFFERSON)


Shannon L. Montgomery

Caroline Dawson
Notary Public

January 22, 2027

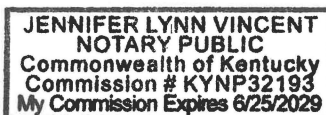


COMMONWEALTH OF KENTUCKY)
)
COUNTY OF JEFFERSON)


Charles R. Schram

Notary Public United Lynn Vincent
Notary Public ID No. KYNP32193

06/25/2029



KENTUCKY UTILITIES COMPANY

**Response to Kentucky Solar Industries Association, Inc.'s 2nd Supplemental
Request for Information
Dated September 12, 2025**

Case No. 2025-00113

Question No. 1

Responding Witness: Michael E. Hornung / Shannon L. Montgomery

Q-1. Please state responses to the following:

- a. When QFs or Rider NMS-2 customers seek to interconnect with the Companies' power grid, which system components (e.g., PV array, inverter, etc.) do the Companies collect data about?
- b. What data are collected and in what units are the data collected for each system component?
- c. Provide an example of the form used by these interconnecting customers to provide the Companies with information about the interconnecting system.

A-1.

- a-c. See KU-Net Metering Interconnection Service Guidelines - Original Sheet No. 108, specifically Sheet Nos. 108.5 (Level 1 application) and 108.6 (Level 2 application).

KENTUCKY UTILITIES COMPANY

**Response to Kentucky Solar Industries Association, Inc.'s 2nd Supplemental
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Case No. 2025-00113

Question No. 2

Responding Witness: Charles R. Schram

- Q-2. Reference: Application, Direct Testimony of Charles R. Schram (“Schram Direct”), page 9, lines 13-15. Please provide the formula used to calculate an individual net metered systems’ contribution to the one percent (1%) cap.
- A-2. For purposes of the load forecast, the Company compares cumulative installed net metering DC capacity to 1% of the prior year’s peak hour.

KENTUCKY UTILITIES COMPANY

**Response to Kentucky Solar Industries Association, Inc.'s 2nd Supplemental
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Dated September 12, 2025**

Case No. 2025-00113

Question No. 3

Responding Witness: Robert M. Conroy / Charles R. Schram

- Q-3. Reference: Schram Direct, page 10, lines 13-16. Please explain why the Companies did not consider the 2.48 MW of battery capacity in its various analyses regarding distributed solar and net metering compensation.
- A-3. As Mr. Schram's testimony states, the 2.48 MW of distributed battery storage to which the request refers is associated only with net metering customers' facilities. KRS 278.465(2) defines "eligible electric generating facility" for net metering purposes in Kentucky; that definition does not include energy storage. Moreover, energy storage does not affect the characteristics of the underlying generation technology. Therefore, the Company did not include energy storage in its analyses regarding net metering compensation.

KENTUCKY UTILITIES COMPANY

**Response to Kentucky Solar Industries Association, Inc.'s 2nd Supplemental
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Case No. 2025-00113

Question No. 4

Responding Witness: Counsel

- Q-4. Please explain whether, and if applicable how, the Companies' proposed methodology for calculating net metering generating capacity in relation to the one percent (1%) threshold will be revised or otherwise altered in response to the United States Court of Appeals for the District of Columbia Circuit's September 9, 2025, Opinion on remand from the Supreme Court of the United States in *Solar Energy Industries Association v. Federal Energy Regulatory Commission* (Case No. 21-1126). <https://media.cadc.uscourts.gov/opinions/docs/2025/09/21-1126-2134022.pdf>). If the Companies do not plan to revise or otherwise alter their methodology, explain why not. (Please note that the request does not seek the provision of information covered by the attorney client privilege.)
- A-4. The Company objects to this request as seeking a legal interpretation and conclusion, as well as how the Company might advance a legal position in the future. Without waiving that objection and taking at face value the request's statement that it "does not seek the provision of information covered by the attorney client privilege," there is no responsive information to provide.

KENTUCKY UTILITIES COMPANY

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Dated September 12, 2025

Case No. 2025-00113

Question No. 5

Responding Witness: Timothy S. Lyons / Charles R. Schram

Q-5. Reference: Schram Direct, page 33, lines 13-21 and Section 2 of Exhibit CRS-6. Also refer to the Companies' Response to KYSEIA Supplemental Request for Information at Q-2, and Direct Testimony of Timothy S. Lyons, Exhibit TSL-3, page 384.

- a. Please explain why the Companies allocate generation maintenance expenses to energy in retail rates but exclude maintenance costs from the energy component of avoided cost rates.
- b. Please explain if the Companies are familiar with the relationship between "equivalent operating hours" and the scheduling of required maintenance activities in accordance with manufacturer recommendations. One example of this relationship is available from Siemens at <https://www.siemensenergy.com/global/en/home/products-services/service/maintenanceoverhaul-service.html> under the section titled "Inspection & overhaul schedule."

A-5.

- a. The class cost of service study classifies generation maintenance expenses as energy because the costs generally vary based on energy production, but that does not mean the Companies could *avoid* incurring maintenance cost due to energy produced by distributed generation. The Companies exclude maintenance costs from *avoided* cost rates because the operation of Qualifying Facility ("QF") or Net Metering Service ("NMS") resources could theoretically *delay* maintenance for some units in certain circumstances, but it would not *avoid* maintenance expenses for the Companies' generating units, which will continue to require maintenance regardless of QF or NMS operation. The Companies' coal-fired units typically operate around the clock and undergo scheduled maintenance at regular intervals. Maintenance requirements for NGCC units would generally be unaffected as well because these units operate at high capacity factors due to their high efficiency. In contrast, the operation of QF or NMS facilities could conceivably affect SCCT maintenance timing. For example,

if sufficient generation from QF or NMS sources were available to offset the need to start a CT unit, it could conceivably delay, *but not avoid*, future maintenance activities.

Assuming each avoided kWh of energy could linearly delay ratable Maintenance of Electric Plant (Account 513) and Maintenance of Miscellaneous Steam Plant (Account 514) by one year, the value of such delay, using test year data, would be \$0.00008/kWh.¹ This amount is almost certainly overstated; there is no data to support a linear relationship between avoided energy and any delay in maintenance, much less a one-year delay.

- b. The referenced link returned a '404 Page Not Found' error; however, yes, the Companies are aware of the relationship between equivalent operating hours and the scheduling of required maintenance.

¹ \$0.00008/kWh = (\$15,383,457 [Acct. 513] + \$2,427,379 [Acct. 514]) / 17,680,973,132 kWh [total test year metered energy from Exh. TSL-3 pg. 390] * 8.10% [KU's requested ROR from Sched. A]