COMMONWEALTH OF KENTUCKY

BEFORE THE PUBLIC SERVICE COMMISSION

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	ELECTRONIC APPLICATION OF KENTUCKY UTILITIES COMPANY FOR AN ADJUSTMENT OF ITS ELECTRIC RATES AND APPROVAL OF CERTAIN REGULATORY AND ACCOUNTING TREATMENTS)))	CASE NO. 2025-00113
AND			
	ELECTRONIC APPLICATION OF LOUISVILLE GAS AND ELECTRIC COMPANY FOR AN ADJUSTMENT OF ITS ELECTRIC AND GAS RATES AND APPROVAL OF CERTAIN REGULATORY AND ACCOUNTING TREATMENTS))))	CASE NO. 2025-00114

KENTUCKY SOLAR INDUSTRIES ASSOCIATION, INC. RESPONSE TO COMMISSION STAFF'S FIRST REQUEST FOR INFORMATION

Comes now the Kentucky Solar Industries Association, Inc. ("KYSEIA"), by and through counsel, and respectfully tenders its Response to Commission Staff's First Request for Information to Kentucky Solar Energy Industries Association. Because the same requests to KYSEIA were propounded in each docket, the same response has been prepared through a combined pleading for the records of each of the above-styled cases.

WHEREFORE, KYSEIA respectfully submits its Response to Commission's Staff's First Request for Information to KYSEIA.

Respectfully submitted,

/s/ David E. Spenard

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Counsel for KYSEIA

NOTICE AND CERTIFICATION FOR FILING

Undersigned counsel provides notices that the electronic version of the paper has been submitted to the Commission by uploading it using the Commission's E-Filing System on this 23rd day of September 2025. Pursuant to the Commission's July 22, 2021 Order in Case No. 2020-00085 (Electronic Emergency Docket Related to the Novel Coronavirus COVID-19), the paper, in paper medium, is not required to be filed.

/s/ David E. Spenard

NOTICE CONCERNING SERVICE

The Commission has not yet excused any party from electronic filing procedures for this case.

/s/ David E. Spenard

Response to Commission's Staff's First Request for Information to KYSEIA Case Numbers: 2025-00113 and 2025-00114

- 1. Refer to the Direct Testimony of Jason W. Hoyle (Hoyle Direct Testimony), page 28, line 14 through page 29, line 5.
 - a. Explain whether East Kentucky Power Cooperative, Inc.'s Cogeneration and Small Power Production Power Purchase Co-located Qualifying Facility tariff or Case No. 2024-00101 was reviewed.
 - b. Explain whether the fact that Kentucky Utilities Company (KU) is not a member of a Regional Transmission Organization (RTO) would set it apart from utilities that are members of an RTO in relation to offering capacity payments to Qualifying Facilities that use the output of its own generation system to meet its own behind-the-meter power demand.

Response by Witness Jason W. Hoyle:

- a. No. East Kentucky Power Cooperative, Inc.'s, a generation and transmission wholesale electric cooperative, Cogeneration and Small Power Production Power Purchase Co-located Qualifying Facility tariff or Case No. 2024-00101 was not reviewed prior to the submission of testimony.
- b. No. The fact that Kentucky Utilities Company (KU) and Louisville Gas & Electric (LG&E) are not a member of a Regional Transmission Organization (RTO) or an Independent System Operator (ISO) competitive wholesale market does not distinguish them in any meaningful way from utilities that are members of a competitive wholesale market with respect to offering capacity payments to Qualifying Facilities (QFs) that serve their own behind the meter load.

KU and LG&E already participate in the broader wholesale energy market by making off-system sales, which means that capacity provided by QFs displaces capacity otherwise needed to serve their native load and enables increased off-system sales. Of course, if utilities that are members of an RTO or ISO deliberately chose to not even attempt to meet their required planning reserve margin or simply failed to meet their reserve margin for any reason, as is happening in this case with LG&E and KU, those RTO/ISO member utilities would very likely face financial and other penalties and increasingly large financial and other penalties if such conduct persisted. The fact that KU and LG&E may not face such penalties does distinguish them from RTO/ISO member utilities, but the lack of penalties for LG&E's and KU's deliberate refusal to procure capacity from QFs in no way differentiates their obligation under PURPA and 18 CFR Part 292 to offer capacity payments to QFs that provide capacity when LG&E and KU have current or future capacity needs, regardless of whether those QFs exercise their property rights and other rights by using some of the power they generate to supply their own needs.

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VERIFICATION

I, Jason W. Hoyle, after being duly sworn, state that I am Director of Research, EQ Research, that I have personal knowledge of the matters set forth in the foregoing testimony, and that the answers contained therein are true and accurate to the best of my information, knowledge and belief.

Jason W. Hoyle Director of Research EQ Research

NORTH CAROLINA

COUNTY OF WATAUGA

Subscribed and sworn to before me by Jason W. Hoyle on this <u>\(\mathbb{S} \) day of September, 2025.</u>

NOTARY NO

Notary Public

My Commission Expires: 12 - 7 - 2027