



Steven L. Beshear
Governor

Leonard K. Peters
Secretary
Energy and Environment Cabinet

Commonwealth of Kentucky
Public Service Commission
211 Sower Blvd.
P.O. Box 615
Frankfort, Kentucky 40602-0615
Telephone: (502) 564-3940
Fax: (502) 564-3460
psc.ky.gov

David L. Armstrong
Chairman

James W. Gardner
Vice Chairman

John W. Clay
Commissioner

June 22, 2009

PARTIES OF RECORD

Re: Case No. 2008-00169

Attached is a copy of the memorandum which is being filed in the record of the above-referenced case. If you have any comments you would like to make regarding the contents of the informal conference memorandum, please do so within five days of receipt of this letter. If you have any questions, please contact Rick Bertelson at 502/564-3940, Extension 260.

Sincerely,

A handwritten signature in black ink, appearing to read "Jeff Derouen".

Jeff Derouen
Executive Director

RB/ew

Attachment

INTRA-AGENCY MEMORANDUM
KENTUCKY PUBLIC SERVICE COMMISSION

TO: Case File
FROM: Rick Bertelson, Staff Attorney
DATE: June 22, 2009
RE: Case No. 2008-00169
Net Metering/Interconnection Guidelines

Pursuant to the Commission Staff notice dated June 17, 2009, Commission Staff held a telephonic informal conference ("IC") with the parties and the Attorney General on June 19, 2009 to discuss issues related to the net metering tariffs filed by Louisville Gas and Electric Company ("LG&E") and Kentucky Utilities Company ("KU") on April 8, 2009. A list of the attendees is attached hereto, including those participating by telephone.

Commission Staff asked LG&E/KU to explain the necessity of the term "total fuel source" under the "Availability of Service" section of each utility's April 8, 2009 net metering tariff filings. LG&E/KU explained that the term is intended to distinguish renewable generation facilities as specified under the net metering statute (solar energy, wind energy, biomass or biogas energy, or hydro energy) from "qualifying facilities," which can include both renewable generation and fossil fuel fired generation.

LG&E/KU clarified that they do not intend for the term "total fuel source" to preclude a customer from interconnecting a generating facility that generates electricity using more than one type of renewable energy (e.g., a facility that uses both wind energy and solar energy).

The Intervenor Parties ("Intervenors") stated that the term "total fuel source" is ambiguous and should be removed from the tariff language. In response, LG&E/KU proposed amending the phrase "use as its total fuel source" under the "Availability of Service" section to "generates electricity using." The Intervenors agreed with the proposed language change and also proposed changing the term "generation system" to "generating facility," which LG&E/KU agreed to do.

The Intervenors also expressed their concern that both LG&E's and KU's proposed net metering tariffs are in contravention of the legislative intent of the 2008 amendments to the net metering statute which, they stated, was to provide uniformity and simplicity to all utilities' net metering/interconnection tariffs for ease of use by

potential net metering customers. Intervenors argued that, as written, the LG&E and KU tariffs cannot be understood without referring to other sources, including the net metering statutes and the Kentucky Interconnection/Net Metering Guidelines, and are, thus, difficult for a potential net metering customer to utilize.

LG&E/KU explained that their intent in filing their net metering tariffs in their current form was to simplify the tariffs and to make them less lengthy than they would otherwise be.

The Intervenors stated that they would file a reply to LG&E/KU's response to their comments in the next few days and would incorporate the proposed language changes discussed at the IC into those comments. The Intervenors did not object to Commission Staff's suggestion that LG&E/KU file a reply to the Intervenors' reply comments within seven days of the Intervenors' filing. Commission Staff stated that they would review both filings and determine whether a follow-up IC is necessary.

There being no other questions from any party, the informal conference was adjourned.

COMMONWEALTH OF KENTUCKY
BEFORE THE PUBLIC SERVICE COMMISSION

In the Matter of:

DEVELOPMENT OF GUIDELINES FOR
INTERCONNECTION AND NET METERING
FOR CERTAIN GENERATORS WITH
CAPACITY UP TO THIRTY KILOWATTS

)
)
)
)
)

CASE NO.
2008-00169

=====

June 19, 2009, Telephonic Informal Conference

=====

Please sign in:

NAME

REPRESENTING

Rick Bertelson

PSC - legal

Quang D. Nguyen

PSC

JOHN SHUPP

PSC - ENGINEERING

Duncan Crosby

LG/E/KU

Caron Bunnell

PSC - FA

JEFF SHAW

PSC - FA

Fereydoon Gorjian

PSC - Engineering

Larry Cook

AG

Mark Overstreet

Ky Power

Errol Wagner

Ky Power

Allison Sturgeon

LG/E/KU

Tracy Bentley

Jackson Purchase

Vince Houser

Nolin RECC

Charlene Creager

EKPC

CASE NO. 2008-00169

NAME

REPRESENTING

Howard Bush	LG&E/KU
Rick Lovkamp	LG&E/KU
Mark Abrar	Cumberland Valley
Chad Ferguson	Cumberland Valley
David Philips	Inter-County Energy
Rocco D'Ascenzo	Duke Ky.
Rick Caudill	Jackson Energy
Ben Jones	Jackson Energy
Tom FitzGerald	Intervenors
Jiff Gurr	South Ky RECC
Bob Yantz	Ky. Power
Larry Hodrison	Ky. Power
John Talbot	Big Rivers
Tyson Karnof	Big Rivers
Jim See	Owen Electric
Mike Cobb	Owen Electric