

COMMONWEALTH OF KENTUCKY
BEFORE THE PUBLIC SERVICE COMMISSION

In the Matter of:

CONSIDERATION OF THE IMPLEMENTATION OF)	CASE NO.
SMART GRID AND SMART METER TECHNOLOGIES)	2012-00428

ORDER

This case was initiated on October 1, 2012, to consider the implementation of Smart Grid and Smart Meter technologies and dynamic pricing, as well as to consider the adoption of the EISA 2007 Smart Grid Investment Standard and the EISA 2007 Smart Grid Information Standard. Each jurisdictional electric utility¹ and the five largest jurisdictional gas utilities² were made parties to this proceeding (collectively the “Joint Utilities”). The Attorney General of the Commonwealth of Kentucky, by and through his Office of Rate Intervention (“AG”), the Community Action Council for Lexington-Fayette, Bourbon, Harrison and Nicholas Counties, Inc. (“CAC”) and Kentucky Industrial Utility Customers, Inc. were granted intervention.

¹ The jurisdictional electric utilities which have been made parties to this case are: Big Rivers Electric Corporation; Big Sandy Rural Electric Cooperative Corporation; Bluegrass Energy Cooperative Corporation; Clark Energy Cooperative Inc.; Cumberland Valley Electric; Duke Energy Kentucky, Inc.; East Kentucky Power Cooperative; Farmers Rural Electric Cooperative Corporation; Fleming-Mason Energy Cooperative; Grayson Rural Electric Cooperative Corporation; Inter-County Energy Cooperative Corporation; Jackson Energy Cooperative; Jackson Purchase Energy Corporation; Kenergy Corporation; Kentucky Power Company; Kentucky Utilities Company; Licking Valley Rural Electric Cooperative Corporation; Louisville Gas and Electric Company; Meade County Rural Electric Cooperative; Nolin Rural Electric Cooperative Corporation; Owen Electric Cooperative; Salt River Electric Cooperative Corporation; Shelby Energy Cooperative Inc.; South Kentucky Rural Electric Cooperative Corporation; and Taylor County Rural Electric Cooperative Corporation.

² The jurisdictional gas utilities which have been made parties to this case are: Atmos Energy Corporation; Columbia Gas of Kentucky, Inc.; Delta Natural Gas Company, Inc.; Duke Energy Kentucky, Inc.; and Louisville Gas and Electric Company.

In accordance with the procedural schedule contained in the October 1, 2012 order, the Joint Utilities and CAC submitted testimony on January 28, 2013. One round of information requests was issued and responses were received in March 2013. Following an Informal Conference (“IC”) held on April 19, 2013, the Joint Utilities, the AG and CAC formed a collaborative to address the Smart Grid issues set forth above (“Smart Grid Collaborative”).

The Smart Grid Collaborative developed a work plan and held teleconferences to address the Smart Grid issues. The work of the Smart Grid Collaborative culminated in the development and submission of the June 30, 2014 Report of the Joint Utilities with Comments by the AG and CAC (“Report”). The findings and recommendations of the Report were presented to the Commission and Staff at an IC on July 30, 2014.

The Report includes findings and recommendations addressing each of the following topics: Customer Privacy, Opt-Out Provisions, Customer Education, Dynamic Pricing, Distribution Smart-Grid Components, Cyber-Security, How Natural Gas Companies Might Participate in Electric Smart Grid, Cost Recovery, and the EISA 2007 Smart Grid Information and Investment Standards. The Report concludes with the following statement from the Joint Utilities:

[A]nalytical tools and frameworks provided in this report are the culmination of over five and a half years of examination of smart-grid related issues by the Joint Utilities. These tools and frameworks, operating as voluntary guidelines, may assist utilities when considering smart-technology investments and deployments. But it remains the well- and long-examined view of all of the Joint Utilities that the Commission should not impose any mandatory, uniform guideline or rule for utilities’ use of smart technologies. Instead, the Commission should continue to rely on time-tested and proven review processes to review the prudence of utility smart-technology investments and deployments. The Joint Utilities therefore unanimously recommend that the Commission issue a final order closing this case without further proceedings and declining to

impose the EISA 2007 Smart Grid information Standard, the EISA 2007 Smart Grid Investment Standard, or any other smart-technology-related standard.³

The parties have expended significant effort to address these topics and develop recommendations; however, the Commission finds that the topics discussed in the Report are too complex and important to be addressed without additional discovery and a hearing. Therefore, the Commission adopts the procedural schedule set forth in this Order.

IT IS HEREBY ORDERED that:

1. The procedural schedule set forth in the Appendix to this Order, which is attached hereto and incorporated herein, shall be followed.

2. a. Responses to requests for information shall be appropriately bound, tabbed and indexed and shall include the name of the witness responsible for responding to questions related to the information provided, with copies to all parties of record and ten copies to the Commission. Any request for information by letter from the Commission Staff shall be responded to as if set forth in a Commission Order.

b. Each response shall be answered under oath or, for representatives of a public or private corporation or a partnership or an association or a governmental agency, be accompanied by a signed certification of the preparer or person supervising the preparation of the response on behalf of the entity that the response is true and accurate to the best of that person's knowledge, information, and belief formed after a reasonable inquiry.

³ Administrative Case No. 2012-00428, Report of the Joint Utilities, Conclusion and Recommendations, filed June 30, 2014, at 81.

c. A party shall make timely amendment to any prior response if it obtains information which indicates that the response was incorrect when made or, though correct when made, is now incorrect in any material respect.

d. For any request to which a party fails or refuses to furnish all or part of the requested information, that party shall provide a written explanation of the specific grounds for its failure to completely and precisely respond.

3. Any party filing testimony shall file the original and ten copies with the Commission, with copies to all parties of record.


4. The Joint Utilities shall give notice of the hearing in accordance with the provisions set out in 807 KAR 5:001, Section 9(2). At the time publication is requested, the Joint Utilities shall forward a duplicate of the notice and request to the Commission.

5. At any public hearing in this matter, neither opening statements nor summarization of direct testimonies shall be permitted.

6. Any objections or motions relating to discovery or procedural dates shall be filed upon four business days' notice or the filing party shall explain, in writing, why such notice was not possible.

7. Motions for extensions of time with respect to the schedule herein shall be made in writing and will be granted only upon a showing of good cause. Nothing contained herein shall prevent the Commission from entering further Orders in this matter.

By the Commission

ENTERED 
SEP 05 2014
KENTUCKY PUBLIC
SERVICE COMMISSION

ATTEST:



Executive Director

Case No. 2012-00428

APPENDIX

APPENDIX TO AN ORDER OF THE KENTUCKY PUBLIC SERVICE
COMMISSION IN CASE NO. 2012-00428 DATED **SEP 05 2014**

All requests for information to any party shall be filed no later than9/19/14

All responses to requests for
information shall be filed no later than..... 10/03/14

All supplemental requests for
information to any party shall be filed no later than..... 10/17/14

Responses to supplemental requests for
information shall be filed no later than..... 10/31/14

Last day for the Joint Utilities to publish notice of Hearing.....12/10/14

Public Hearing to be held in Hearing Room 1 of the Commission's
Offices at 211 Sower Boulevard, Frankfort, Kentucky, for the
purpose of cross-examination of witnesses of the
Joint Utilities and Intervenors.....12/17/14

Simultaneous Briefs, if any.....To be determined

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