

COMMONWEALTH OF KENTUCKY
BEFORE THE PUBLIC SERVICE COMMISSION

In the Matter of:

ELECTRONIC JOINT APPLICATION OF)	
LOUISVILLE GAS AND ELECTRIC COMPANY)	
AND KENTUCKY UTILITIES COMPANY FOR)	CASE NO.
REVIEW, MODIFICATION, AND CONTINUATION)	2017-00441
OF CERTAIN EXISTING DEMAND-SIDE)	
MANAGEMENT AND ENERGY EFFICIENCY)	
PROGRAMS)	

ORDER

On October 10, 2018, Louisville Gas and Electric Company (LG&E) and Kentucky Utilities Company (KU) (collectively “LG&E/KU”) filed a joint motion to correct certain rates and references to rate schedules which were set forth in Appendices A and B to the Commission’s October 5, 2018 Order. That Order approved, with modifications, LG&E/KU’s 2019-2025 Demand-Side Management and Energy Efficiency Program Plan (DSM/EE Plan) and DSM surcharge rates to be effective for service rendered on and after January 1, 2019.

The pending motion states that the rates approved by the Commission for the DSM balancing adjustments were the rates proposed by LG&E/KU in their application in this case, but LG&E/KU subsequently revised those balancing adjustments by tariff filings outside of this case. Those revised balancing adjustments became effective April 1, 2018. The motion includes a table showing the balancing adjustments as approved by the October 5, 2018 Order and the revised balancing adjustments that became effective on April 1, 2018, but omits any explanation as to why a notice of the revised balancing

adjustments had not been filed during the pendency of this case. The motion also requests the Commission to delete from the rate appendices the references to rate schedules School Power Service (SPS) and School Time-of-Day Service (STOD) because those schedules are no longer effective as of the filing of LG&E/KU's most recent rate cases.¹

Based on the motion and being otherwise sufficiently advised, the Commission finds good cause to revise the DSM balancing adjustment rates in Appendices A and B to the October 5, 2018 Order to mirror the revised balancing adjustment rates that were filed by tariffs outside of this case and became effective on April 1, 2018. Those revised DSM balancing adjustment rates are set forth in Appendices A and B, attached hereto, for KU and LG&E, respectively. With respect to the request to delete the references to rate schedules SPS and STOD, the Commission finds that while LG&E/KU's respective rate applications filed on September 28, 2018, propose to eliminate those rate schedules effective November 1, 2018, the Commission entered Orders on October 11, 2018, in each of those cases initiating investigations and suspending the proposed rates through April 30, 2019. Thus, rate schedules SPS and STOD continue in effect until the conclusion of the investigations in LG&E/KU's respective rate applications and there is no basis to now delete references to rate schedules SPS and STOD in the DSM rates appended to the October 5, 2018 Order.

¹ Case No. 2018-00294, *Electronic Application of Kentucky Utilities Company for an Adjustment of Its Electric Rates*, filed Sept. 28, 2018 and 2018-00295, *Electronic Application of Louisville Gas and Electric Company for an Adjustment of Its Electric and Gas Rates*, filed Sept. 28, 2018.

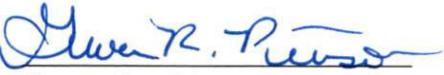
IT IS THEREFORE ORDERED nunc pro tunc that:

1. LG&E/KU's motion to correct the October 5, 2018 Order is granted in part and denied in part.
2. Appendices A and B to the October 5, 2018 Order are amended to the limited extent that the DSM balancing adjustments are revised as set forth in Appendices A and B, attached hereto.
3. The rates and charges in Appendix A, attached hereto, are fair, just, and reasonable for KU to charge for service rendered on and after January 1, 2019.
4. The rates and charges in Appendix B, attached hereto, are fair, just, and reasonable for LG&E to charge for service rendered on and after January 1, 2019.
5. LG&E/KU's request to delete references to rate schedules SPS and STOD in the DSM rates appended to the October 5, 2018 Order is denied without prejudice.
6. All other provisions of the Commission's October 5, 2018 Order shall remain in full force and effect through 2025 unless subsequently modified by the Commission upon finding good cause.
7. Within 20 days of the date of this Order, LG&E/KU shall file with this Commission, using the Commission's electronic Tariff Filing System, revised tariff sheets setting out the rates approved herein and reflecting that they were approved pursuant to this Order.
8. This case is closed and removed from the Commission's docket.

By the Commission

ENTERED
OCT 25 2018
KENTUCKY PUBLIC
SERVICE COMMISSION

ATTEST:


Executive Director

Case No. 2017-00441

APPENDIX A

APPENDIX TO AN ORDER OF THE KENTUCKY PUBLIC SERVICE
COMMISSION IN CASE NO. 2017-00441 DATED **OCT 25 2018**

The following rates and charges are prescribed for the customers served by Kentucky Utilities Company. All other rates and charges not specifically mentioned herein shall remain the same as those in effect under the authority of this Commission prior to the effective date of this Order.

DSM
DEMAND-SIDE MANAGEMENT COST RECOVERY MECHANISM

Rates RS, RTOD-Energy, RTOD-Demand, VFD	Energy Charge
DSM Cost Recovery (DCR)	\$0.00048 per kWh
DSM Revenues from Lost Sales (DRLS)	\$0.00006 per kWh
DSM Incentive (DSMI)	\$0.00000 per kWh
DSM Capital Cost Recovery (DCCR)	\$0.00046 per kWh
DSM Balance Adjustment (DBA)	<u>\$0.00011</u> per kWh
Total DSMRC	\$0.00111 per kWh
Rate GS	
DSM Cost Recovery (DCR)	\$0.00035 per kWh
DSM Revenues from Lost Sales (DRLS)	\$0.00026 per kWh
DSM Incentive (DSMI)	\$0.00000 per kWh
DSM Capital Cost Recovery (DCCR)	\$0.00007 per kWh
DSM Balance Adjustment (DBA)	<u>\$0.00020</u> per kWh
Total DSMRC	\$0.00088 per kWh
Rate AES	
DSM Cost Recovery (DCR)	\$0.00074 per kWh
DSM Revenues from Lost Sales (DRLS)	\$0.00107 per kWh
DSM Incentive (DSMI)	\$0.00000 per kWh
DSM Capital Cost Recovery (DCCR)	\$0.00103 per kWh
DSM Balance Adjustment (DBA)	<u>\$0.00000</u> per kWh
Total DSMRC	\$0.00284 per kWh
Rates PS, TODS, TODP, RTS, FLS, SPS, STOD, OSL	
DSM Cost Recovery (DCR)	\$0.00029 per kWh
DSM Revenues from Lost Sales (DRLS)	\$0.00023 per kWh
DSM Incentive (DSMI)	\$0.00000 per kWh

DSM Capital Cost Recovery (DCCR)	\$0.00010 per kWh
DSM Balance Adjustment (DBA)	<u>\$(0.00003)</u> per kWh
Total DSMRC	\$0.00059 per kWh

APPENDIX B

APPENDIX TO AN ORDER OF THE KENTUCKY PUBLIC SERVICE
COMMISSION IN CASE NO. 2017-00441 DATED **OCT 25 2018**

The following rates and charges are prescribed for the customers served by Louisville Gas and Electric Company. All other rates and charges not specifically mentioned herein shall remain the same as those in effect under the authority of this Commission prior to the effective date of this Order.

ELECTRIC SERVICE RATES

DSM
DEMAND-SIDE MANAGEMENT COST RECOVERY MECHANISM

Rates RS, RTOD-Energy, RTOD-Demand, VFD	Energy Charge
DSM Cost Recovery (DCR)	\$0.00060 per kWh
DSM Revenues from Lost Sales (DRLS)	\$0.00008 per kWh
DSM Incentive (DSMI)	\$0.00000 per kWh
DSM Capital Cost Recovery (DCCR)	\$0.00077 per kWh
DSM Balance Adjustment (DBA)	<u>\$0.00007</u> per kWh
Total DSMRC	\$0.00152 per kWh
Rate GS	
DSM Cost Recovery (DCR)	\$0.00035 per kWh
DSM Revenues from Lost Sales (DRLS)	\$0.00039 per kWh
DSM Incentive (DSMI)	\$0.00000 per kWh
DSM Capital Cost Recovery (DCCR)	\$0.00021 per kWh
DSM Balance Adjustment (DBA)	<u>\$0.00009</u> per kWh
Total DSMRC	\$0.00104 per kWh
Rates PS, SPS	
DSM Cost Recovery (DCR)	\$0.00063 per kWh
DSM Revenues from Lost Sales (DRLS)	\$0.00055 per kWh
DSM Incentive (DSMI)	\$0.00000 per kWh
DSM Capital Cost Recovery (DCCR)	\$0.00012 per kWh
DSM Balance Adjustment (DBA)	<u>\$(0.00012)</u> per kWh
Total DSMRC	\$0.00118 per kWh
Rates TODS, TODP, RTS, FLS, STOD, OSL	
DSM Cost Recovery (DCR)	\$0.00018 per kWh
DSM Revenues from Lost Sales (DRLS)	\$0.00006 per kWh

DSM Incentive (DSMI)	\$0.00000	per kWh
DSM Capital Cost Recovery (DCCR)	\$0.00012	per kWh
DSM Balance Adjustment (DBA)	<u>\$(0.00006)</u>	per kWh
Total DSMRC	\$0.00030	per kWh

GAS SERVICE RATES

DSM DEMAND-SIDE MANAGEMENT COST RECOVERY MECHANISM

Rates RGS, VFD	Energy Charge
DSM Cost Recovery (DCR)	\$0.00202 per Ccf
DSM Revenues from Lost Sales (DRLS)	\$0.00042 per Ccf
DSM Incentive (DSMI)	\$0.00000 per Ccf
DSM Capital Cost Recovery (DCCR)	\$0.00000 per Ccf
DSM Balance Adjustment (DBA)	<u>\$0.00201</u> per Ccf
Total DSMRC	\$0.00445 per Ccf

Rate CGS, IGS, AAGS, SGSS, FT	
DSM Cost Recovery (DCR)	\$0.00062 per Ccf
DSM Revenues from Lost Sales (DRLS)	\$0.00010 per Ccf
DSM Incentive (DSMI)	\$0.00000 per Ccf
DSM Capital Cost Recovery (DCCR)	\$0.00000 per Ccf
DSM Balance Adjustment (DBA)	<u>\$0.00013</u> per Ccf
Total DSMRC	\$0.00085 per Ccf

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