

COMMONWEALTH OF KENTUCKY
BEFORE THE PUBLIC SERVICE COMMISSION

In the Matter of:

KENTUCKY INDUSTRIAL UTILITY CUSTOMERS, INC.)	
)	
)	
COMPLAINANT)	
)	CASE NO. 2017-00477
V.)	
)	
KENTUCKY UTILITIES COMPANY, LOUISVILLE GAS AND ELECTRIC COMPANY, KENTUCKY POWER COMPANY, AND DUKE ENERGY KENTUCKY, INC.)	
)	
)	
DEFENDANTS)	

ORDER

On December 28, 2017, the Attorney General of the Commonwealth of Kentucky, by and through his office of Rate Intervention (“AG”), filed a motion jointly in this case and in Case No. 2017-00481 requesting that the Commission approve four procedural actions as discussed below. The first requested action is to consolidate this complaint case, which involves the impacts of the recent reduction in the federal corporate tax rate on the rates charged for service provided by two electric utilities and two combination electric and gas utilities, with Case No. 2017-00481,¹ an investigation initiated by the Commission on its own motion to examine the same issues for three gas utilities and two water utilities. The AG asserts that the issues in these two cases will affect all of the named utilities

¹ Case No. 2017-00481, *An Investigation of the Impact of the Tax Cuts and Job Act on the Rates of Atmos Energy Corporation, Delta Natural Gas Company, Inc., Columbia Gas of Kentucky, Inc., Kentucky-American Water Company, and Water Service Corporation of Kentucky.*

similarly and that consolidation will result in efficient use of Commission resources and reduce the burdens on both the affected utilities and intervenors.

The second requested action is that the Commission's Order entered in this case on December 27, 2017, be modified to provide that the named utilities have 30 days, rather than ten days, to satisfy the matters complained of or file a written answer since in the investigation case the Commission granted the named utilities 30 days to file testimony. Granting this extension of time will, according to the AG, allow both cases to be on a parallel path. Attached to the AG's motion was an email from Kentucky Industrial Utilities Customers, Inc. ("KIUC") stating that they have no objection to granting the extension of time requested by the AG. The third requested action is that electronic filing procedures be established for the two cases to reduce the costs to the parties and allow greater transparency. The fourth request is that the Commission schedule an informal conference to afford the parties an opportunity to discuss the relevant procedural and substantive issues.

On January 1, 2018, KIUC filed a response in support of the AG's motion. On that same day, Duke Energy Kentucky, Inc. ("Duke Kentucky") filed a motion requesting a 20-day extension of time to file an answer so that this complaint case will be on the same timeline as the investigation in Case No. 2017-00481. Duke Kentucky also states that it does not object to the use of electronic filing procedures or to the scheduling of an informal conference, but that it does object to consolidating this case with Case No. 2017-00481. Rather than consolidating the two cases, Duke Kentucky supports having separate, utility-specific cases to examine the recent reduction in the federal corporate tax rate, based on a belief that the impacts are likely to be different for each utility.

Based on a review of the AG's motion and the responses and being otherwise sufficiently advised, the Commission finds that neither the record in this case nor the record in Case No. 2017-00481 is sufficiently developed at this time to determine whether efficiencies would be gained by consolidating these two cases as requested by the AG and supported by KIUC, or whether separate cases should be established for each utility as requested by Duke Kentucky. Consequently, the Commission will defer a decision on these issues until the records of each case is more fully developed.

The Commission does find good cause to grant the named defendants in this complaint case a 20-day extension of time so that the timeline in this case runs parallel with that of Case No. 2017-00481. In addition, we find good cause to establish the use of electronic filing procedures in this case to reduce the burden on all parties. However, since the named utilities in Case No. 2017-00481 were granted 30 days to file testimony, to properly keep these cases on a parallel track, the named defendants in this complaint case should file testimony in support of their respective responses to satisfy the matters complained of or file a written answer. Finally, while an informal conference will likely benefit the parties to this case, it should be scheduled after the parties have had sufficient opportunity to review the testimony and responses to the complaint.

IT IS THEREFORE ORDERED that:

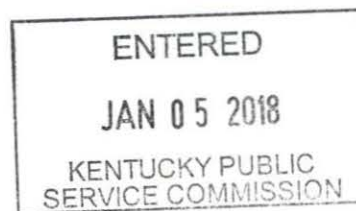
1. The AG's motion to consolidate this case with Case No. 2017-00481 shall be held in abeyance until the record of both cases is further developed.
2. The AG's motion to modify the Commission's December 27, 2017 Order is granted to the limited extent that the named utilities shall, no later than January 26, 2018, either satisfy the matters complained of or file a written answer with testimony in

support of their position on the substance of the complaint and whether this case and Case No. 2017-00481 should be consolidated or whether separate cases for each utility should be established.

3. The AG's motion to establish electronic filing procedures is granted. Any party filing a paper shall upload an electronic version using the Commission's E-Filing System and shall file the original and six copies in paper medium, except that only two copies in paper medium shall be filed of maps, plans, specifications, and drawings pursuant to 807 KAR 5:001, Section 15(2)(d).

4. The AG's motion to schedule an informal conference is granted and an informal conference shall be scheduled after the parties have had sufficient time to review the named utilities' responses and testimony.

By the Commission



ATTEST:


Executive Director

Case No. 2017-00477

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