

COMMONWEALTH OF KENTUCKY
BEFORE THE PUBLIC SERVICE COMMISSION

In the Matter of:

ELECTRONIC EXAMINATION OF THE)
APPLICATION OF THE FUEL ADJUSTMENT)
CLAUSE OF LOUISVILLE GAS & ELECTRIC) CASE NO. 2017-00004
COMPANY FROM NOVEMBER 1, 2014)
THROUGH OCTOBER 31, 2016)

NOTICE OF FILING

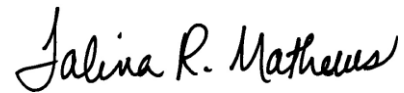
Notice is given to all parties that the following materials have been filed into the record of this proceeding:

- The digital video recording of the evidentiary hearing conducted on April 18, 2017 in this proceeding;
- Certification of the accuracy and correctness of the digital video recording;
- A written log listing, *inter alia*, the date and time of where each witness' testimony begins and ends on the digital video recording of the evidentiary hearing conducted on April 18, 2017.

A copy of this Notice, the certification of the digital video record, exhibit list, and hearing log have been electronically served upon all persons listed at the end of this Notice. Parties desiring an electronic copy of the digital video recording of the hearing in Windows Media format may download a copy at http://www.psc.ky.gov/av_Broadcast/2017-00001-thru-00025/2017-00001-thru-00025_18Apr17_Inter.aspx.

Parties wishing an annotated digital video recording may submit a written request by electronic mail to pscfilings@ky.gov. A minimal fee will be assessed for a copy of this recording.

Done at Frankfort, Kentucky, this 26th day of April 2017.

A handwritten signature in black ink that reads "Talina R. Mathews". The signature is written in a cursive style with a large initial 'T'.

Talina R. Mathews
Executive Director
Public Service Commission of Kentucky

Honorable Allyson K Sturgeon
Senior Corporate Attorney
LG&E and KU Energy LLC
220 West Main Street
Louisville, KENTUCKY 40202

Rick E Lovekamp
Manager - Regulatory Affairs
LG&E and KU Energy LLC
220 West Main Street
Louisville, KENTUCKY 40202

Robert Conroy
LG&E and KU Energy LLC
220 West Main Street
Louisville, KENTUCKY 40202

Louisville Gas and Electric Company
220 W. Main Street
P. O. Box 32010
Louisville, KY 40232-2010

COMMONWEALTH OF KENTUCKY
BEFORE THE PUBLIC SERVICE COMMISSION

In the Matter of:

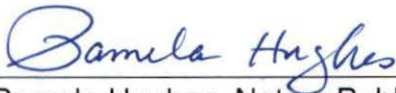
AN EXAMINATION OF THE APPLICATION OF)
THE FUEL ADJUSTMENT CLAUSE OF)
LOUISVILLE GAS & ELECTRIC COMPANY) CASE NO.
FROM NOVEMBER 1, 2014 THROUGH) 2017-00004
OCTOBER 31, 2016)

CERTIFICATE

I, Pamela Hughes, hereby certify that:

1. The attached DVD contains a digital recording of the Hearing conducted in the above-styled proceeding on April 18, 2017. Hearing Log and Witness List are included with the recording on April 18, 2017.
2. I am responsible for the preparation of the digital recording.
3. The digital recording accurately and correctly depicts the Hearing of April 18, 2017.
5. The "Hearing Log" attached to this Certificate accurately and correctly states the events that occurred at the Hearing of April 18, 2017, and the time at which each occurred.

Signed this 25th day of April, 2017.



Pamela Hughes, Notary Public
State at Large
My Commission Expires: April 22, 2019



Session Report - Detail

2017-00001thru2017-00006_18April2017

Date:	Type:	Location:	Department:
4/18/2017	Fuel Adjustment Clause	Hearing Room 1	Hearing Room 1 (HR 1)

Judge: Bob Cicero; Dan Logsdon; Michael Schmitt
 Witness: Delbert Billiter; Jason Burden; Scott Burnside; Michelle Carpenter; Nicholas Castlen; Theodore Czupik; Rocco D'Ascenzo; Russ Gwynn; Mark Horn; Amy Jeffries; Craig Johnson; Tyson Kamuf; Mark McAdams; David Mell; James Miller; Daniel Moyer; Murray (Wayne) O'Bryan; Mark Overstreet; Brett Phipps; Derek Rahn; Hickman Roger; John Rogness; David Samford; Eileen Saunders; Charles Schram; Isacc Scott; Allyson Sturgeon; John Swez; Steve Thompson; Julia Tucker; John Verderame; Charles West; Stuart Wilson
 Clerk: Pam Hughes

Event Time	Log Event
8:02:24 AM	Session Started
8:02:26 AM	Session Paused
8:58:37 AM	Session Resumed
8:58:41 AM	Chairman Schmitt opening remarks Note: Hughes, Pam Calls Case No. 2017-00001 Kentucky Power Co. Note: Hughes, Pam Introduces VC Cicero and Comm. Logsdon
9:00:36 AM	Chairman Schmitt asks Atty Overstreet to introduce himself and witnesses. Note: Hughes, Pam Counsel Mark Overtreet introduces himself and witnesses. Daniel Moyer will not appear as a Witness. Mr. Russ Gwynn will testify on his behalf Note: Hughes, Pam Kentucky Power Co 2017-00001
9:01:49 AM	Introduction of attorney's for PSC Note: Hughes, Pam Jeb Pinney Counsel for PSC along with John Park and Brittany Koenig
9:02:18 AM	Public notice was filed.
9:02:37 AM	Public Comments--no comments
9:02:55 AM	Chairman Schmitt swears in all witnesses for Kentucky Power CO. Note: Hughes, Pam Case No. 2017-00001
9:03:15 AM	Atty Pinney - PSC- Witness John Rogness
9:03:51 AM	Atty Overstreet states changes to answers to Data Request responses Note: Hughes, Pam Witness West corrections to DR concerning Pike CO, KY not West Virginia, question 34 in DR1, There have been personell changes since May 2nd.
9:05:08 AM	Witness Russ Gwynn Note: Hughes, Pam Russ Gywnn- potential changes in outage schedule for Mitchell 1 and will file updated schedule.
9:06:13 AM	John Rogness clarification of changes to his testimony Note: Hughes, Pam Page 6, line 4 of his testimony. Number should be a negative. Page 8, line 1- 0.225 should be 0.272 Clarification- 3rd Data request #4 first table amounts from virtual transactions. Positive number is cost. Feb. 2015 a gain 627.75 total 29833.11 net cost.
9:08:41 AM	Atty Pinney -PSC- to Witness Rogness Note: Hughes, Pam Page 6, line 5 of his testimony. Sandy unit 1, average cost of fuel. 2017-18 fuel costs. Page 7, fuel costs projections, Big Sandy now a natural gas unit - projected costs. Note: Hughes, Pam Referencing Big Sandy 1 cheaper than the Mitchell units
9:11:47 AM	Post Hearing DR Note: Hughes, Pam Costs between Big Sandy and Mitchell

9:12:16 AM Atty Pinney -PSC- to Witness Russ Gywnn
Note: Hughes, Pam Item 9 of DR1 - Last row of table outage and length being typical

9:12:55 AM Camera Lock PTZ Activated

9:13:15 AM Camera Lock Deactivated

9:13:18 AM Atty Pinney -PSC- to Witness Rogness
Note: Hughes, Pam Item 13, DR1 response. Line loss calculation of the review period.
Total energy disposed.
Note: Hughes, Pam 4th column- months of June thru Nov 2015 PHDR needed

9:13:52 AM Camera Lock PTZ Activated

9:14:33 AM Camera Lock Deactivated

9:14:44 AM Camera Lock PTZ Activated

9:15:31 AM Camera Lock Deactivated

9:15:42 AM Atty Pinney -PSC- to Witness Rogness
Note: Hughes, Pam Asks for a PHDR for this answer.
Note: Hughes, Pam Last column, line loss in relation to to billing cycles and sales or
what reason for variation.

9:15:57 AM Camera Lock PTZ Activated

9:16:57 AM Camera Lock Deactivated

9:17:02 AM Atty Pinney -PSC- to Witness Russ Gywnn
Note: Hughes, Pam Item 14 of DR1-response. attachment "preserved shutdown" and
what that term means.

9:17:28 AM Camera Lock PTZ Activated

9:17:50 AM Camera Lock Deactivated

9:18:00 AM Atty Pinney -PSC- to Witness Russ Gywnn
Note: Hughes, Pam Insspection of all boiler units to make sure all were in compliance

9:18:22 AM Atty Pinney -PSC- to Witness Russ Gywnn
Note: Hughes, Pam Mitchell unit 1, compliance

9:18:53 AM Atty Pinney -PSC- to Witness David Mell
Note: Hughes, Pam First year operating as Natural gas unit

9:19:09 AM Camera Lock PTZ Activated

9:19:25 AM Camera Lock Deactivated

9:19:32 AM Atty Pinney -PSC- to Witness Charles West
Note: Hughes, Pam Referencing pages 2 and 3 of same response. Have coal shipment
contracts started?
Note: Hughes, Pam Response to DR1, item 15. Page 1 of 4. Contract ending in Dec.
2014. Any additional coal in this contract

9:21:02 AM Atty Pinney -PSC- to Witness West
Note: Hughes, Pam Item 21, of DR1, response Mitchell high sulpher coal over target.
Inventory level of High Sulpher today? Agreement expires 2021
Note: Hughes, Pam Steps to take to make sure it is closer to the target inventory level.

9:22:55 AM Atty Pinney -PSC- handing out document -PSC Exhibit 1
Note: Hughes, Pam Kentuky Power Co. Analysis of Coal Purchases

9:24:17 AM Atty Pinney -PSC- to Witness West
Note: Hughes, Pam Response to DR1, explain last alpha contract not being shown in
Staff's DR1
Note: Hughes, Pam PHDR needed

9:25:01 AM Camera Lock PTZ Activated

9:25:07 AM Camera Lock Deactivated

9:25:40 AM Atty Pinney -PSC- to Witness Rogness
Note: Hughes, Pam Item 41, DR1 response. Request to recover 205322.00 under
collected over period of 4 months in the review time

9:26:21 AM Camera Lock PTZ Activated

9:26:25 AM Camera Lock Deactivated

9:26:31 AM Camera Lock PTZ Activated

9:26:36 AM Camera Lock Deactivated
 9:26:41 AM Atty Pinney -PSC- to Witness Rogness
 Note: Hughes, Pam Peaking unit equivalent---PHDR excluded peaking unit from May to October 2016
 9:26:48 AM Camera Lock PTZ Activated
 9:26:55 AM Camera Lock Deactivated
 9:27:15 AM Camera Lock PTZ Activated
 9:27:31 AM Camera Lock Deactivated
 9:27:35 AM Atty Overstreet _ KY Power Co clarification about PHDR
 9:27:55 AM Atty Pinney -PSC- to Witness Rogness
 Note: Hughes, Pam Referring to response to Staff's 3rd DR, item 2, page 3 of 6. Depends on price it was bid in at.
 9:28:56 AM Camera Lock PTZ Activated
 9:29:11 AM Camera Lock Deactivated
 9:29:18 AM Camera Lock PTZ Activated
 9:29:36 AM Camera Lock Deactivated
 9:29:40 AM Atty Overstreet to Witness Jeffries and Witness West
 Note: Hughes, Pam 2017-18 coal and gas prices clarification in differences in prices.
 9:30:06 AM Camera Lock PTZ Activated
 9:30:14 AM Camera Lock Deactivated
 9:31:52 AM Atty Pinney -PSC- to Witness Rogness
 Note: Hughes, Pam Questions about Costs to diminish, appropriate to have no change in the base fuel rates.
 9:32:11 AM Camera Lock PTZ Activated
 9:32:13 AM Camera Lock Deactivated
 9:32:25 AM VC Cicero -PSC- to Witness Rogness
 Note: Hughes, Pam Asks for clarification as to why they want to leave base rates where they are
 9:32:33 AM Camera Lock PTZ Activated
 9:32:36 AM Camera Lock Deactivated
 9:32:40 AM Camera Lock PTZ Activated
 9:32:51 AM Camera Lock Deactivated
 9:32:57 AM Camera Lock PTZ Activated
 9:33:04 AM Camera Lock Deactivated
 9:33:09 AM Camera Lock PTZ Activated
 9:33:27 AM Camera Lock Deactivated
 9:33:34 AM PHDR for 2017-00001
 Note: Hughes, Pam PHDR by Friday, April 21 from Staff then May 1st for KY Power Co. to answer
 Note: Hughes, Pam No briefs to be filed
 9:34:23 AM Chairman adjourns Case No. 2017-00001
 9:34:57 AM Chairman calls Case No. 2017-00002 EKPC
 9:35:39 AM Atty David Samford - EKPC
 Note: Hughes, Pam Introduces himself and witnesses
 9:35:43 AM Camera Lock PTZ Activated
 9:36:07 AM Public notice has been filed
 9:36:10 AM Camera Lock Deactivated
 9:36:18 AM Outstanding motion ruled on later date
 9:36:28 AM Camera Lock PTZ Activated
 9:36:29 AM Camera Lock Deactivated
 9:36:34 AM Introductions of Atty Pinney, Park and Koenig for PSC
 9:36:53 AM Asks for Public comments - no comments
 9:37:06 AM Chairman Schmitt swears witnesses in.
 9:37:16 AM Camera Lock PTZ Activated

9:37:19 AM	Atty Pinney -PSC- to Witness Tucker Note: Hughes, Pam Note: Hughes, Pam	Asks for any corrections. No corrections Item 5, Staff's 1st DR. EKPC expects to burn less coal and gas than in 2017.
9:37:20 AM	Camera Lock Deactivated	
9:38:11 AM	Camera Lock PTZ Activated	
9:38:22 AM	Camera Lock Deactivated	
9:38:27 AM	Atty Pinney -PSC- to Witness Tucker Note: Hughes, Pam Note: Hughes, Pam	Item 6 of Staff's 1st DR-- Sales to PJM in 2017 and 2018 and decrease in market price. Post Hearing Data Request - Changes made from budget made last year. 2018 prices to increase or decrease as a result.
9:38:58 AM	Camera Lock PTZ Activated	
9:39:27 AM	Camera Lock Deactivated	
9:39:37 AM	Camera Lock PTZ Activated	
9:39:56 AM	Camera Lock Deactivated	
9:40:00 AM	Camera Lock PTZ Activated	
9:40:00 AM	Camera Lock Deactivated	
9:40:08 AM	Camera Lock PTZ Activated	
9:40:13 AM	Camera Lock Deactivated	
9:40:26 AM	Atty Pinney -PSC- to Witness Tucker Note: Hughes, Pam	Item 9 of Staff's DR 1- Bluegrass 3 contracted to LG&E, timing of and maintenance dates. EKPC performs maintenance.
9:40:55 AM	Camera Lock PTZ Activated	
9:41:18 AM	Camera Lock Deactivated	
9:41:32 AM	Atty Pinney -PSC- to Witness Johnson Note: Hughes, Pam	Page 3 of 3, outages of almost 2 months. Work to be performed on Spurlock 2 and Smith 2 units.
9:42:22 AM	Atty Pinney -PSC- PHDR Note: Hughes, Pam	Item 12, 1st DR - monthly billing summary of all electric companies. Page 2 of 43. Columns calculated and why vary each month.
9:43:24 AM	Camera Lock PTZ Activated	
9:43:34 AM	Camera Lock Deactivated	
9:43:37 AM	Atty Pinney -PSC- to Witness Carpenter Note: Hughes, Pam	Item 12, page 38-43 Recent FAC review, nondisplacement. This predates EKPC's placement in PJM. Dec 2016 filing referred to economy now.
9:45:14 AM	Atty Pinney -PSC- to Witness Johnson Note: Hughes, Pam	Item 14 in 1st DR, page 6 of 57. Spurlock 3 two outages, what were issues.
9:46:41 AM	Atty Pinney -PSC- to Witness Johnson Note: Hughes, Pam Note: Hughes, Pam	6 forced outages- combustion inspections. Was under contract with LG&E before EKPC bought the station. Pages 16 - 18 of Staff's 1st DR. Outages for 3 Bluegrass units. What is repair and how often performed. 1 time repair
9:48:49 AM	Atty Pinney -PSC- to Witness Johnson Note: Hughes, Pam	Page 19 of 57, DR1- Green valley unit outages and economic to keep running.
9:49:54 AM	Atty Pinney -PSC- to Witness Johnson Note: Hughes, Pam	Referencing Page 44 of 57, DR1. Explain Hardin Co landfill unit, running during the review period. Running two units
9:51:07 AM	Atty Pinney -PSC- to Witness Horn Note: Hughes, Pam Note: Hughes, Pam	Page 2 of 8 DR1, tonage carrying over from 2016 and status of contract. Item 15 of Staff's DR1. Page 2 of 8.

9:52:22 AM	Atty Pinney -PSC- to Witness Horn Note: Hughes, Pam	Item 20, Staff's DR1, Spurlock station, barge bids and rail bids
9:53:07 AM	Atty Pinney -PSC- to Witness Horn Note: Hughes, Pam	Item 21C, Staff's DR1 - inventory target for Cooper and Spurlock stations.
9:54:01 AM	Atty Pinney -PSC- to Witness Horn Note: Hughes, Pam	EKPC confidential response to Staff's DR1 - page 3 of 13. Two bids didn't meet plant specifications, explain.
9:55:31 AM	Atty Pinney -PSC- to Witness Horn Note: Hughes, Pam	Pages 5 and 6 of DR1 - 24 month contract on specifications
9:56:19 AM	Atty Pinney -PSC- to Witness Horn Note: Hughes, Pam Note: Hughes, Pam	Page 9 of 13 of Staff's DR1 Item 25. -5th row, reason for recommendation column. Explain statement Atty Samford approaches Witness Horn to point out item in question.
9:58:44 AM	Atty Pinney -PSC- to Witness Horn Note: Hughes, Pam Note: Hughes, Pam	No change in base fuel cost in the 2 year period. Witness Scott answers. Staff's DR1 item 26, page 2 of 2. Test purchase for Cooper station.
10:00:20 AM	Atty Pinney -PSC- to Witness Scott Note: Hughes, Pam	Staff's DR2, item 4.b - Projecting average fuel costs for 2017 and 2018. List EKPC's reasons for no change to base fuel costs.
10:02:00 AM	Atty Samford to Witness Scott Note: Hughes, Pam	Item 4. c. and item 4a also addresses the subject.
10:02:29 AM	VC Cicero to Witness Scott Note: Hughes, Pam	Member coops not in favor of changing base rates. FAC's will be paid actual fuel regardless to members.
10:05:47 AM	Atty Samford to Witness Scott Note: Hughes, Pam	Distinction between Coops and lag in billing to 16 member systems.
10:07:18 AM	VC statement about billing in COOP's.	
10:07:50 AM	Chairman Schmitt Note: Hughes, Pam	PHDR to be sent by Friday, April 21st from Staff and EKPC to reply May 1st. Add'l time to file short brief- May 12 to file and PSC add'l 2 weeks.
10:09:10 AM	Case No. 2017-00002 EKPC adjourned	
10:09:36 AM	Case No. 2017-00003 and 2017-00004 Note: Hughes, Pam	KU and LGE cases
10:10:22 AM	Atty Sturgeon for KU and LGE Note: Hughes, Pam	Introduces Witnesses.
10:10:33 AM	Camera Lock PTZ Activated	
10:10:52 AM	Atty Pinney, Park and Koenig for PSC	
10:10:57 AM	Camera Lock Deactivated	
10:11:10 AM	Public notice has been given and filed	
10:11:23 AM	Outstanding motion to be ruled on later date.	
10:11:37 AM	Chairman Schmitt swears in witnesses for KU/LGE	
10:11:54 AM	Public comments - no comments	
10:12:13 AM	Atty Sturgeon Note: Hughes, Pam	Corrections, May 2016 moved into new role. Question 14 of testimony LGE page 1 of 4 Millcreek station unit 4. Sept 30 offline, was major boiler outage. Saunders is now Director of safety for company, Billiter is now Manager of LGE/KU fuels.
10:14:24 AM	Atty Pinney to Witness Schram Note: Hughes, Pam	Staff's DR1, item 14, page 3 of 5 for KU and Page 2 of 4 LGE Unit 2 outage June thru mid July and issues meeting load
10:15:20 AM	Camera Lock PTZ Activated	

10:15:25 AM Camera Lock Deactivated

10:15:26 AM Camera Lock PTZ Activated

10:15:37 AM Camera Lock Deactivated

10:15:43 AM Atty Pinney -PSC- to Witness Saunders
Note: Hughes, Pam Page 5 of 5, Trimble Co unit. Equipment shared between unit 7 and 5 MOD-

Note: Hughes, Pam 2 outages for trimble Co unit 9. Generater rewind explanation

10:17:36 AM Atty Pinney -PSC- to Witness Bilitier
Note: Hughes, Pam Item 15, Staff's DR1. Page 9 for Ku or 8 for LGE. Coal requiremnets for 2016 and did some of the receipts carry over from 2015?

10:18:31 AM Atty Pinney -PSC- to Witness Billiter
Note: Hughes, Pam Staus of the Ryno energy contract

10:19:10 AM Atty Pinney -PSC- to Witness Billiter
Note: Hughes, Pam Page 21 for KU or 18 LGE - 0 to half million tons for 2016 Minimun amont of coal purchased is 3 million tons but contracted for less.

10:20:28 AM Atty Pinney -PSC- to Witness Billiter
Note: Hughes, Pam Item 21 of Staff's DR1 - options to reduce Trimble CO inventory level.

10:21:44 AM Atty Pinney -PSC- to Witness Schram
Note: Hughes, Pam Item 29 of Staff's DR1 - July 2016 portions of gas to operate Cane Run 7 unit. PHDR as to if forward basis had been used or not.

10:22:41 AM Atty Pinney -PSC- to Witness Billiter
Note: Hughes, Pam KU response item 15 of DR1, page 5 of 23. 57 % of tonage requirements contracts status.
Note: Hughes, Pam Part 1 of that response. Item 19 response. Based on final delivery by barge

10:25:02 AM Atty Pinney -PSC- to Witness Billiter
Note: Hughes, Pam Benefits of burning particular type of coal at trimble unit but not other stations.

10:26:41 AM Atty Pinney -PSC- to Witness Billiter
Note: Hughes, Pam Page 15 of 23 of same response. Status of contract. Expired Dec 31, 2016. Chose not to take this option because of lower cost options.

10:27:43 AM Atty Pinney -PSC- to Witness Billiter and Witness Wilson
Note: Hughes, Pam LGE-- Items 5 and 6 of DR1 Coal and natural gas increase and customers costs will decrease

10:29:55 AM Atty Pinney -PSC- to Witness Rahn
Note: Hughes, Pam LGE response to item 13, DR1 - line loss increase of two year review period

10:30:48 AM Atty Pinney -PSC- to Witness Saunders
Note: Hughes, Pam LGE- item 14 of DR1 - page 1 of 4. Millcreek unit 3 outage. Explain the tie in.

10:31:48 AM Atty Pinney -PSC- to Witness Saunders
Note: Hughes, Pam Page 3 of 4, all 3 Patty's run units outage. Explain in more detail.

10:32:49 AM Atty Sturgeon to Witness Rahn
Note: Hughes, Pam How company implementing new rates

10:33:57 AM VC Cicero to Witness Billiter
Note: Hughes, Pam Trimble Co coal contract - declare a force majeure

10:36:33 AM Atty Pinney to Witness Rahn
Note: Hughes, Pam Changes to bill for services rendered. Lag between for service and billing

10:37:41 AM Atty Pinney -PSC- to Witness
Note: Hughes, Pam Questions if a Final order issued, would KU LGE be able to update new rates. They would need more time.

10:38:39 AM PHDR
Note: Hughes, Pam Staff to issue by Friday, april 21st, KU LGE by May 1st. No brief

10:39:12 AM Adjourned Case No's 2017-00003 & 00004

10:39:21 AM Break

10:39:33 AM Session Paused

10:51:38 AM Session Resumed

10:51:42 AM Case No. 2017-00005 Duke Energy KY

10:51:58 AM Atty Rocco D'Ascenzo
Note: Hughes, Pam Intoduces himself and witnesses

10:52:20 AM Atty Pinney, Park and Koenig for PSC

10:52:36 AM Public Notice has been given and filed

10:52:52 AM No outstanding motions

10:53:02 AM No public comment

10:53:12 AM Chairman Schmitt swears in witnesses

10:53:23 AM Atty Pinney - PSC- asks for any changes
Note: Hughes, Pam Corrections. Brett Phipps question 15, page 1, April 30, 2006, should be 2016. Page two for Tunnell Hill, Section F volume should be 300,000

10:54:36 AM Atty Pinney - PSC - to WITness Czupik and Witness Swez
Note: Hughes, Pam Dukes confid response item 5 to DR1, page 2. Several months show no information. Major outage in the April and October and Nov in Woodsdale.
Note: Hughes, Pam PHDR needed. Witness ? replys to question.

10:57:58 AM Atty Pinney - PSC to Witness Czupik
Note: Hughes, Pam Witness John Swez responds to losses and why.
Note: Hughes, Pam Attachment to item 13, DR1 Line loss, middlle of review period, please explain the differences in calculations and fluctuatiions. Retail sales

11:00:27 AM VC Cicero to Witness Czupik
Note: Hughes, Pam PHDR - John Swez replys to questions
Note: Hughes, Pam Referring to natural variations explanation

11:02:55 AM Atty Pinney - PSC - to Witness Swez
Note: Hughes, Pam Attachment to item 14 to DR1, Woodsdale units outages for units 1, 2, 3 PHDR

11:03:55 AM Atty Pinney - PSC - to Witness Phipps
Note: Hughes, Pam Item 15, DR1 - Coal contracts past 2017.

11:05:41 AM Atty Pinney - PSC - to Witness Phipps
Note: Hughes, Pam Confid attachment to item 25 to DR1 - Comments column, 5th row. Result of test burn.

11:06:52 AM Atty Pinney - PSC - to Witness Phipps
Note: Hughes, Pam Why no coal purchases for 2019. Elaborate on flucuation of the burn.

11:07:53 AM Atty Pinney - PSC - to Witness Swez
Note: Hughes, Pam Item 35, DR1 - Referencing Woodsdale units no longer able to burn propane after June 30th at some of the units.

11:09:46 AM Atty D'Ascenzo to Witness Swez
Note: Hughes, Pam Coal contracts for 2018. Outage for East bend in 2018 and how long that is estimated to be. 10 weeks. To Mr. Phipps, would that impact volume of coal?

11:11:02 AM VC Cicero to Witness Phipps
Note: Hughes, Pam 2018 coal test burn and negotiations. Increasing percentage. Aproximate % is greater than 65 to 100

11:12:40 AM PHDR
Note: Hughes, Pam Staff has until Friday, April 21st and Duke has until May 1st. No briefs to be filed.

11:13:06 AM Case No. 2017-00005 Duke Energy Adjourned

11:13:31 AM Case No. 2016-00006 Big Rivers Electric Corp.

11:14:20 AM Atty Kamuf introduces himself and witnesses

11:15:10 AM No intervenor present at hearing

11:15:20 AM Attys Pinney, Park and Koenig for PSC

11:15:36 AM Public Notice given and filed

11:15:46 AM No Outstanding Motions

11:15:57 AM Public comments
Note: Hughes, Pam Jack McCastle Hancock Co. Kentucky. County Judge Here to speak for Kenergy even though has some interest in Big Rivers Electric.

11:16:39 AM Camera Lock PTZ Activated

11:16:46 AM Camera Lock Deactivated

11:16:54 AM Chairman Schmitt swears in witnesses

11:17:00 AM Camera Lock PTZ Activated

11:17:06 AM Corrections to testimony
Note: Hughes, Pam Atty Kamuf hands out two corrections. Exhibit 1 Revised response to DR1 of 2/6/2017 Item 21, page 2 of 4 - chart following line 1 number of days supplied and duration of days. 65 is changed to 117. 86 days is now 154 days. Mark McAdams Jason Burden on 2nd exhibit. Line 2 of 2017 table changes new start and end date. Row 3 is deleted

11:17:29 AM Camera Lock Deactivated

11:20:39 AM Atty Pinney - PSC - to Witness O'Bryan
Note: Hughes, Pam Big Rivers response to item 6, DR1 - most recent sales projection for 2017-18. Lower Kwh in 2018.

11:21:37 AM Atty Pinney - PSC - to Witness O'Bryan
Note: Hughes, Pam Confid item 11, DR1 - 2 thru 6 of 9. Asking for Confidential treatment for only certain things on these pages. Why is confidential treatment being asked for periods not on this review period.
Note: Hughes, Pam Back to back sales and what they respresent and if profit is made.

11:25:12 AM Atty Pinney to Witness O'Bryan
Note: Hughes, Pam Item 12 of DR1 - pages 19 to 24. Line 13 of each page term is ADM investor service amounts. Questions what they represent and why sometimes positive and others negative.

11:27:23 AM PHDR
Note: Hughes, Pam over 2 year review period of profits and losses

11:27:49 AM Atty Pinney - PSC - to Witness Castlen
Note: Hughes, Pam line 19. no amount for Sept and why. What they represent in station 2

11:28:57 AM Atty Pinney - PSC - to Witness Burden
Note: Hughes, Pam item 14 of DR1 page 1 of 17. Reed unit idle of 2016 and not restarted. Any plans to restart?

11:29:45 AM Atty Pinney - PSC - to Witness Burden
Note: Hughes, Pam page 2 to 4 of 17, Reed unit outages for review period. Is this a small natural gas turbine and age of unit. Has anlysis been done to see if economic to run?

11:31:14 AM Atty Pinney - PSC - to Witness Burden
Note: Hughes, Pam pages 10 to 13 of 17 of same response. Green units 1 and 2 removed from service due to weak market. Explain more.

11:31:59 AM Atty Pinney - PSC - to Witness Burden
Note: Hughes, Pam page 14 of 17 same response. Explain the work in maintaining unit.

11:32:56 AM	Atty Pinney - PSC - to Witness McAdams Note: Hughes, Pam	Items 19 and 20 to initial DR - 19 shows Green station receives barge delivery for most of its coal. Difference between barge and truck delivery.
11:34:13 AM	Atty Pinney - PSC - to Witness Mc Adams Note: Hughes, Pam Note: Hughes, Pam	Station 2 exceeded its target range. It occurs month to month over 2016 and continues to reduce inventory through April 2017 item 21, to initial DR - page 2 of 4. Columns days of supply and duration in days. Explain
11:36:30 AM	VC Cicero to Witness McAdams Note: Hughes, Pam Note: Hughes, Pam	Clarification to reaching inventory by end of 2017 for certain stations. Sept is date for Station 2 Inventory to be cut in half across the system
11:38:12 AM	VC Cicero to Witness Mc Adams Note: Hughes, Pam	Burn quantity clarification.. Less than planned, is number of days supplied reflected.
11:40:03 AM	Atty Pinney - PSC - to Witness Burns Note: Hughes, Pam	Item 1 of DR3, revised attachment. PHDR needed in Excel format
11:40:32 AM	Atty Pinney - PSC - to Witness Hickman Note: Hughes, Pam	0.232 cents per Kwh hour and no change in that.
11:40:54 AM	Atty Pinney - PSC - to Witness Hickman Note: Hughes, Pam	average Kwh for 2017-18
11:41:15 AM	Atty Pinney - PSC - to Witness Hickman Note: Hughes, Pam Note: Hughes, Pam	Referring to why Big Rivers is not lowering base rate. PHDR- provide fuel costs going forward and present and proposed rates if Order is made.
11:43:31 AM	Atty Kamuf to Witness Hickman Note: Hughes, Pam Note: Hughes, Pam	Fuel costs to go down over next year? Witness MC Adams states cost of fuel will be stable in 2018-19 there will be open positions in coal market to remain stable and procure coal at lower cost.
11:45:19 AM	Atty Kamuf to Witness McAdams Note: Hughes, Pam	Clarification to fuel costs going into 2018 is why they don't expect a higher base rate.
11:46:35 AM	Atty Kamuf to Witness Burden Note: Hughes, Pam	Referring to value outside the market
11:47:11 AM	Atty Pinney to Witness Burden Note: Hughes, Pam	Typical ramp up is 15 mins.
11:47:30 AM	PHDR Note: Hughes, Pam	Staff by April 21, Big Rivers May 1st. No brief
11:47:52 AM	Adjourned Big Rivers Case No. 2017-00006	
11:48:25 AM	Case No. 2017-00024 Kenergy Corp.	
11:48:40 AM	Atty Kamuf counsel for Kenergy Note: Hughes, Pam	Steve Thompson only witness
11:49:01 AM	Atty Pinney, Park and Koenig for PSC	
11:49:13 AM	Public notice given and filed	
11:49:24 AM	Chairman swears in Witness Thompson	
11:49:35 AM	Public Comment Note: Hughes, Pam	Jack McCastle, County Judge in Hancock County, Kentucky. On behalf of Fiscal court and the citizens of Hancock Co. KY
11:50:10 AM	Camera Lock PTZ Activated	
11:54:19 AM	Camera Lock Deactivated	
11:54:29 AM	Atty Kamuf Note: Hughes, Pam	States his appreciation to Judge McCastle for appearing and speaking today.

11:54:51 AM Atty Pinney - PSC - to Witness Thompson
Note: Hughes, Pam Kenergy uses Big Rivers FAC amounts. Over and under line loss and billing of customers.

11:56:13 AM Atty Pinney - PSC - to Witness Thompson
Note: Hughes, Pam FAC filed its review 10 days prior and has complied with the statute for the 2 year review period.

11:56:54 AM Comm. Logsdon to Witness Thompson
Note: Hughes, Pam Refers to the lag in the system for billing.

11:57:36 AM Chairman Schmitt closing statements

11:57:57 AM Adjourned Case No. 2017-00024 Kenergy Corp.

11:58:05 AM Session Paused

8:10:47 AM Session Ended

Judge: Bob Cicero; Dan Logsdon; Michael Schmitt

Witness: Delbert Billiter; Jason Burden; Scott Burnside; Michelle Carpenter; Nicholas Castlen; Theodore Czupik; Rocco D'Ascenzo; Russ Gwynn; Mark Horn; Amy Jeffries; Craig Johnson; Tyson Kamuf; Mark McAdams; David Mell; James Miller; Daniel Moyer; Murray (Wayne) O'Bryan; Mark Overstreet; Brett phipps; Derek Rahn; Hickman Roger; John Rogness; David Samford; Eileen Saunders; Charles Schram; Isacc Scott; Allyson Sturgeon; John Swez; Steve Thompson; Julia Tucker; John Verderame; Charles West; Stuart Wilson

Clerk: Pam Hughes

Name:	Description:
Big Rivers Exhibit 01	Revised response to Commission Staff's Request for Information dated Feb. 6, 2017. Revised on Apr. 18, 2017.
Big Rivers Exhibit 02 - Confidential	Revised Response to Staff's Request for Information dated Feb. 6, 2017. Revid=sed Apr. 18, 2017. Response to Item 9. One page redacted the other showing Confidential amounts. The ConfidentialL version is with the confidential DVD and File
Big Rivers Exhibit 02 redacted	Revised Response to Staff's Request for Information dated Feb. 6, 2017. Revised Apr. 18, 2017. Response to Item 9. One page redacted the other showing Confidential amounts.
PSC Exhibit 01	Kentucky Power Co. - Analysis of Coal Purchases, May 2016.

*Honorable Allyson K Sturgeon
Senior Corporate Attorney
LG&E and KU Energy LLC
220 West Main Street
Louisville, KENTUCKY 40202

*Rick E Lovekamp
Manager - Regulatory Affairs
LG&E and KU Energy LLC
220 West Main Street
Louisville, KENTUCKY 40202

*Robert Conroy
LG&E and KU Energy LLC
220 West Main Street
Louisville, KENTUCKY 40202

*Louisville Gas and Electric Company
220 W. Main Street
P. O. Box 32010
Louisville, KY 40232-2010