

COMMONWEALTH OF KENTUCKY
BEFORE THE PUBLIC SERVICE COMMISSION

In the Matter of:

ELECTRONIC JOINT APPLICATION OF)	
KENTUCKY UTILITIES COMPANY AND)	CASE NO.
LOUISVILLE GAS AND ELECTRIC COMPANY)	2018-00304
FOR AN ORDER APPROVING THE)	
ESTABLISHMENT OF REGULATORY LIABILITIES)	
AND REGULATORY ASSETS)	

ORDER

This matter is before the Commission upon a motion filed by the Attorney General of the Commonwealth of Kentucky, by and through the Office of Rate Intervention (Attorney General), requesting that the current procedural schedule be amended and that a hearing be scheduled for this matter. In support of his motion, the Attorney General states that the existing procedural schedule does not provide for a hearing and that a hearing is necessary for the Attorney General to provide evidence as to the issue of whether the expenses incurred by Kentucky Utilities Company and Louisville Gas and Electric Company (jointly, "KU/LG&E") associated with the thunderstorm that hit the companies' service territories on July 20, 2018, (July 2018 Storm) "rise to the level required for the Commission to consider regulatory deferral accounting."¹ The Attorney General also states that a hearing is necessary to allow him to conduct cross-examination that would assist the Commission in deciding this matter.

On October 26, 2018, KU/LG&E filed a response objecting to the Attorney General's motion. KU/LG&E contend that their application requests Commission

¹ Attorney General's Motion to Amend Procedural Schedule and Schedule a Hearing at 4.

authorization to accumulate in regulatory assets and defer for future recovery the expenses related to the July 2018 Storm. KU/LG&E also contend that the Commission's regulations do not require a hearing be held in this type proceeding and that a hearing for this matter is not necessary for the protection of substantial rights or in the public interest because the hearing regarding the reasonableness of the storm expenses and the associated amortization period will be held in KU/LG&E's pending base rate cases without prejudice to the Attorney General's rights to contest the reasonableness of those expenses or their recovery in rates. Lastly, KU/LG&E argue that the Attorney General's motion would delay the proceedings and is untimely, as it was filed six weeks after the filing of the application and five weeks after the procedural schedule had been established for the processing of this case.

On October 29, 2018, the Attorney General filed a reply in support of his motion. The Attorney General contends that requiring him to wait until the rate cases to argue the reasonableness of deferring instead of expensing the July 2018 Storm costs has the ultimate effect of ignoring him outright.

Having reviewed the pleadings, the response, and the reply thereto, and being otherwise sufficiently advised, the Commission finds that the Attorney General has provided good cause to amend the procedural and to have a hearing scheduled for this matter.

IT IS THEREFORE ORDERED that:

1. The Attorney General's motion to amend the procedural schedule and schedule a hearing is granted.

2. A hearing in this matter shall be held on Thursday, November 29, 2018, at 9:00 a.m., Eastern Standard Time, at the offices of the Public Service Commission at 211 Sower Boulevard, Frankfort, Kentucky.

3. Pursuant to KRS 278.360 and 807 KAR 5:001, Section 9(9), a digital video transcript shall be made of the hearing.

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By the Commission

ENTERED
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KENTUCKY PUBLIC
SERVICE COMMISSION

ATTEST:

For  Executive Director

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

*Honorable Kendrick R Riggs
Attorney at Law
Stoll Keenon Ogden, PLLC
2000 PNC Plaza
500 W Jefferson Street
Louisville, KENTUCKY 40202-2828

*Kent Chandler
Assistant Attorney General
Office of the Attorney General Office of Rate
700 Capitol Avenue
Suite 20
Frankfort, KENTUCKY 40601-8204

*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

*Kentucky Utilities Company
220 W. Main Street
P. O. Box 32010
Louisville, KY 40232-2010

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