Matthew G. Bevin Governor

Charles G. Snavely Secretary Energy and Environment Cabinet



Commonwealth of Kentucky **Public Service Commission** 211 Sower Blvd. P.O. Box 615 Frankfort, Kentucky 40602-0615 Telephone: (502) 564-3940 Fax: (502) 564-3460 psc.ky.gov

April 18, 2019

Michael J. Schmitt Chairman

> Robert Cicero Vice Chairman

Talina R. Mathews Commissioner

PARTIES OF RECORD

RE: Case No. 2018-00181 SANCTUARY CHURCH V. LOUISVILLE GAS AND ELECTRIC COMPANY

Attached is a copy of a memorandum which is being filed in the record of the abovereferenced case. If you have any comments you would like to make regarding the contents of the memorandum, please do so within five days of receipt of this letter. If you have any questions, please contact Quang Nguyen, Assistant General Counsel, at (502) 782-2586.

Sincerely,

Deva R. Purso

Gwen R. Pinson Executive Director

QN/ch

Attachments

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INTRA-AGENCY MEMORANDUM

KENTUCKY PUBLIC SERVICE COMMISSION

TO: Case File – Case No. 2018-00181

FROM: Quang D. Nguyen, Assistant General Counsel

DATE: April 18, 2019

RE: Informal Conference of April 10, 2019

Pursuant to an Order issued on March 25, 2019, an informal conference (IC) was held at the Commission's offices in Frankfort, Kentucky, on April 10, 2019. The IC was held at the request of Sanctuary Church for the purpose of determining a hearing date and identify other arrangements necessary for the future handling of this matter. The attendance sheet for IC is attached to this memo.

After brief introductions and a summary of the informal conference protocol, Louisville Gas and Electric Company's (LG&E) counsel articulated the utility's position that an evidentiary hearing is not needed given that there are no genuine issues of material facts and the resolution of this matter involves the legal issue concerning the interpretation of the tariff language applicable to LG&E's General Service Rate Schedule (Rate GS) and whether Sanctuary Church could be eligible to be grandfathered such that it could receive electric service from LG&E under Rate GS. LG&E's counsel also cited to the Commission's decision in Case No. 2005-00389 in support of the utility's position. Lastly, LG&E counsel addressed Sanctuary Church's request that it be provided reduced rate services pursuant to KRS 278.170(2) to the extent Sanctuary Church is not allowed to be grandfathered under Rate GS. LG&E's counsel indicated that the utility, at its discretion, has never provided free or reduced to any entities or persons referenced in KRS 278.170(2), including its own employees and that the utility has never proposed or implemented a tariff to effectuate such an offering. LG&E's counsel lastly stated that KRS 278.170(1) prohibits it from providing preferential treatment to Sanctuary Church and that if it provided reduced rates to Sanctuary Church LG&E would have to provide that to all churches within its service territory. In lieu of an evidentiary hearing, LG&E's position is that the parties could brief the legal issue or that a hearing for purposes of oral arguments be scheduled.

Sanctuary Church's counsel expressed agreement with having the issues in this matter be briefed but left open the possibility of requesting a hearing for purposes of oral arguments. Sanctuary Church's counsel indicated that it would want to discuss with LG&E regarding stipulation of facts. The parties then discussed whether there was a need to come to an agreement on certain facts, with LG&E indicating that the facts were not relevant to the determination of the legal issue at bar and Sanctuary Church indicating the need for the development of an evidentiary record. Ultimately, the parties agreed to

a briefing schedule which would require Sanctuary Church to file its brief by no later than 30 days from the date of this informal conference (or May 10); LG&E to file its response brief 15 after the filing of Sanctuary Church's brief (or May 28); and Sanctuary Church to file its reply brief 15 days after LG&E's response brief (or June 12).

There being no further discussion, the IC was then adjourned.

QN/ch Attachments

COMMONWEALTH OF KENTUCKY

BEFORE THE PUBLIC SERVICE COMMISSION

In the Matter of:

SANCTUARY CHURCH

COMPLAINANT

V.

LOUISVILLE GAS AND ELECTRIC COMPANY

DEFENDANT

Informal Conference – April 10, 2019

Please sign in:

NAME

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Jim Stevens

David Danie

REPRESENTING

PSC

Sanctuary

CASE NO. 2018-00181

Church Sac tran

PSC

LGHE

MicHAEL HORNONC LOVE Robert Conroy 664E

Case No. 2018-00181

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

*Andre F Regard Attorney at Law Regard Law Group, PLLC 501 Darby Creek Road Suite 46 Lexington, KENTUCKY 40502

*Ivy Workman Regard Law Group, PLLC 501 Darby Creek Road Suite 46 Lexington, KENTUCKY 40502

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