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Talina R. Mathews
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September 10, 2020

PARTIES OF RECORD

RE: Case No. 2018-00348
ELECTRONIC 2018 JOINT INTEGRATED RESOURCE PLAN OF LOUISVILLE
GAS AND ELECTRIC COMPANY AND KENTUCKY UTILITIES COMPANY

Attached is a copy of a memorandum which is being filed in the record of the above-referenced 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,

A handwritten signature in blue ink, appearing to read "L. Flora".

Lindsey Flora
Deputy Executive Director

INTRA-AGENCY MEMORANDUM
KENTUCKY PUBLIC SERVICE COMMISSION

TO: Case File – Case No. 2018-00348

FROM: Quang D. Nguyen, Assistant General Counsel

DATE: September 8, 2020

RE: Informal Conference of September 4, 2020

Pursuant to an Order issued on August 28, 2020, an informal conference (IC) was held by videoconference on September 4, 2020. The purpose of the IC was to allow Louisville Gas and Electric Company and Kentucky Utilities Company (jointly “LG&E/KU”) to provide a general but detailed overview of how the companies develop their Integrated Resource Plan (IRP) and a detailed step-by-step process of a Prosym production cost modeling run. The attendance sheet for the IC is attached to this memo.

As part of its presentation, LG&E/KU provided the attached power point presentation regarding the development of their IRP and a detailed description of a Prosym modeling run. The discussion also addressed the following topics:

- Whether the modeling include uncertainty in environment regulation, i.e. some form of carbon regulation or regime;
- Whether the modeling of new generation include the cost of decommissioning and retirement of existing generators;
- How the companies gather costs of alternatives;
- Whether the model based on a levelized cost of electricity;
- Identify how often the alternatives updated;
- Identify how tax incentives are factored and how tax incentives are modeled over the 15-year time horizon;
- Explain how the costs of these resources modeled over the 15-year time horizon; and
- Explain whether the companies have done any analysis to see how their modeling in the last IRP fared and identify any areas which would lead to over estimating costs of alternatives.

Commission Staff inquired about transmission costs and constraints as well as RTO transaction expenses as part of the market inputs to Prosym. As part of a data request, Commission Staff requested information highlighting RTO transaction expenses and identify transmission costs and constraints that would be used as market inputs into Prosym.

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

COMMONWEALTH OF KENTUCKY
BEFORE THE PUBLIC SERVICE COMMISSION

In the Matter of:

ELECTRONIC JOINT 2018 INTEGRATED)
RESOURCE PLAN OF LOUISVILLE GAS) CASE NO. 2018-00348
AND ELECTRIC COMPANY AND KENTUCKY)
UTILITIES COMPANY)

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September 4, 2020 Informal Conference

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Please sign in:

NAME	REPRESENTING
Joe Childer	Sierra Club
Matt Miller	Sierra Club
Joe Horne	Attorney General
Larry Cook	Attorney General
Mary Beth Purvis	PSC
John Rogness	PSC
Anthony Wooldridge	PSC
Talina Mathews	PSC
Quang Nguyen	PSC
Liz Stefanski	PSC
David Sinclair	LG&E/KU
Stuart Wilson	LG&E/KU
Mike Sebourn	LG&E/KU
Robert Conroy	LG&E/KU
Kendrick Riggs	LG&E/KU

Allyson Sturgeon

LG&E/KU

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