

COMMONWEALTH OF KENTUCKY
BEFORE THE PUBLIC SERVICE COMMISSION

In the Matter of:

ELECTRONIC EMERGENCY DOCKET RELATED) CASE NO.
TO THE NOVEL CORONAVIRUS COVID-19) 2020-00085

ORDER

On October 2, 2020, Louisville Gas and Electric Company (LG&E) and Kentucky Utilities Company (KU) (collectively, LG&E/KU) filed a petition for clarification of, and deviation from, the September 21, 2020 Order and the September 30, 2020 Order entered in this proceeding (collectively, Orders). LG&E/KU ask that the Commission grant any necessary deviation from, or clarification of, the Orders so that LG&E/KU may implement a plan to address customer arrearages similar to KU's practice in its service territory in Virginia.¹

As a basis of its petition, LG&E/KU state that they cannot feasibly create a single default payment plan to all customer with arrearages.² LG&E/KU intend to include pre-March 16, 2020 arrearages in payment plans, and plan to offer a default payment plan of 12 months for customers who do not choose a different payment plan prior to their disconnection date.³ LG&E/KU will offer 6-month and 12-month payment plans on their websites, but state that customers may contact LG&E/KU customer service

¹ Petition at 1.

² *Id.* at 3.

³ *Id.*

representatives and request payment plans of up to 24 months.⁴ LG&E/KU also recounted the various steps that it would take to publicize the payment plan options to its customers.⁵

Commission Staff issued one request for information to LG&E/KU, seeking clarification as to LG&E/KU's proposed payment plans. LG&E/KU clarified that they could provide an *en masse* single default payment plans to all residential customers, but did not recommend that approach because customers' billing cycles differ and LG&E/KU claim this would cause confusion, especially if LG&E/KU selected one date and created a payment plan based upon that date.⁶

It is not clear to the Commission from what portions of the Orders LG&E/KU need deviation, or what portions need clarification. The September 21, 2020 Order spelled out what needs to occur regarding the payment plans: (1) the default plan should be no shorter than 6 months and no longer than 24 months; (2) utilities should take all reasonable efforts to contact its customers; and (3) utilities should provide alternatives to the 6-month default payment plan.⁷ The Commission also found that utilities could use its October billing cycle to determine arrearages and include arrearages that had accumulated before March 16, 2020, and after October 1, 2020, in payment plans,

⁴ Petition at 3.

⁵ *Id.* at 3-4.

⁶ LG&E/KU's Response to Commission Staff's Initial Request for Information (filed Oct. 8, 2020), Response to Question No. 1.

⁷ September 21, 2020 Order at 7-8.

provided that the 6-month payment plan was extended the length of time over which the arrearage was accumulated.⁸

It appears that LG&E/KU's proposed plans comports with these requirements. LG&E/KU's default plan is 12-months, which exceeds the 6-month minimum payment plan established in the September 21, 2020 Order. LG&E/KU plan to include pre-March 16, 2020 arrearages in the payment plan; thus, the 12-month plan exceeds the minimum time established in the September 30, 2020 Order. Therefore, it does not appear that LG&E/KU require any deviation from the Orders.

To the extent that the Commission understands that LG&E/KU require clarification, it is in regard to using October 20, 2020, as the date on which all payment plans must be started. The September 30, 2020 Order in this matter, which allows a utility to use the October 2020 billing cycle to determine arrearages, which may extend beyond October 20, 2020, to start a payment plan, sufficiently indicates that the Commission anticipated payment plans being entered into after October 20, 2020.

Based on the foregoing, IT IS HEREBY ORDERED that:

1. The Commission's Orders are clarified as necessary as discussed above.
2. Nothing in this Order prevents the Commission from issuing additional orders in this proceeding.

⁸ September 30, 2020 Order at 6.

By the Commission

ENTERED
OCT 22 2020 bsb
KENTUCKY PUBLIC
SERVICE COMMISSION

ATTEST:



Deputy Executive Director

Case No. 2020-00085

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