

COMMONWEALTH OF KENTUCKY
BEFORE THE PUBLIC SERVICE COMMISSION

In the Matter of:

ELECTRONIC APPLICATION OF LOUISVILLE)	
GAS AND ELECTRIC COMPANY FOR AN)	
ADJUSTMENT OF ITS ELECTRIC AND GAS)	
RATES, A CERTIFICATE OF PUBLIC)	CASE NO.
CONVENIENCE AND NECESSITY TO DEPLOY)	2020-00350
ADVANCED METERING INFRASTRUCTURE,)	
APPROVAL OF CERTAIN REGULATORY AND)	
ACCOUNTING TREATMENTS, AND)	
ESTABLISHMENT OF A ONE-YEAR SURCREDIT)	

ORDER

The matter is before the Commission upon a motion for deviation filed by Louisville Gas and Electric Company (LG&E) on October 23, 2020, requesting approval to provide an abbreviated newspaper notice of its upcoming application for rate adjustment and to permit the filing of certain documents required by 807 KAR 5:001, Section 16, only in electronic medium due to their voluminous nature. LG&E states that the application is made in an effort to reduce the costs associated with the filing of the upcoming rate application and ultimately reduce the level of any rate adjustment for its customers.

With respect to the method of notice of publication, LG&E proposes to publish an abbreviated form of notice containing complete content for the residential rate changes and other information required by the Commission's rules, but not the complete required

content for the other changes in the rate schedules.¹ LG&E states that the proposed abbreviated notice will identify each rate schedule that is proposed to be changed and refer the reader to LG&E's and the Commission's websites or LG&E's business offices for further information. LG&E further states that the abbreviated notice will also offer to provide, upon written or electronic mail request, a copy of any applicable rate schedule in paper or electronic medium. A copy of the proposed notice comparable to the notice approved by the Commission for LG&E's 2018 rate case proceedings² is attached as an exhibit to the instant motion.

LG&E states that it will also take the following actions to ensure public awareness of the proposed rates adjustments: (1) at the time the newspapers begin to publish the legal notice, LG&E will keep a complete copy of the more detailed and lengthy notice as required by 807 KAR 5:001, Section 17, at its offices throughout the pendency of the rate proceedings; (2) at the time of publication of the abbreviated notice, LG&E will post on its website a copy of the more detailed and lengthy notice and a hyperlink to the location on the Commission's website where case documents and tariff filings are available; (3) beginning on November 30, 2020, LG&E will include a general statement explaining its application for rate adjustment with the bills of all of its Kentucky retail customers during the course of their regular billing cycle; (4) at the time of the filing of its application, LG&E

¹ Among other things, 807 KAR 5:001, Section 17(4), requires that a customer notice contain the proposed effective date and the date the proposed rates are expected to be filed with the Commission; the present rates and proposed rates for each customer classification to which the proposed rates will apply; the amount of the change requested in both dollar amounts and percentage change for each customer classification to which the proposed rates will apply; the amount of the average usage and the effect upon the average bill for each customer classification to which the proposed rates will apply.

² Case No. 2018-00250, *Joint Application of Kentucky Utilities Company and Louisville Gas and Electric Company for a Declaratory Order Establishing the Form of Notice and Number of Copies of Certain Documents Filed in Support of Upcoming Applications for Rate Adjustments* (Ky. PSC Aug. 31, 2018).

will notify by electronic mail the chief executive officer or legal counsel of each entity that had been granted intervention or otherwise permitted to participate in its last general rate case proceeding of the filing of the applications along with a hyperlink to the location on the Commission's website where case documents and tariff filings are available; (5) at the time the newspapers begin to publish the legal notice, LG&E will issue a press release to all known media in their service territories informing of the rate applications; and (6) at the time of the filing of its rate application, LG&E will file the customer notice as a separate document, labeled "Customer Notice of Rate Adjustment," to enable ratepayers checking the Commission's website to easily locate the notice. LG&E states that it incurred \$921,000 to publish the complete notice in its 2016 rate case for both electric and gas customers. With the abbreviated notice in its 2018 rate case, LG&E incurred only \$166,000 associated with the newspaper publication of the customer notice for both electric and gas customers. LG&E states that it expects to achieve the same level of savings if the proposed abbreviated notice is approved and that the abbreviated notice would not impact the public's awareness of the filing of the rate application.

LG&E also requests a deviation to allow it to file a copy of the following documents in electronic medium rather than on paper medium: (1) the most recent Federal Energy Regulatory Commission (FERC) audit report; (2) a prospectus of the most recent stock or bond offerings; (3) the most recent FERC Form 1 and Form 2 for electric and gas operations, respectively; and (4) U.S. Security Exchange Commission's (SEC) annual report, Form 10-K, for the most recent two years, any Form 8-K issued in the last two years, and any Form 10-Q issued in the last two years. LG&E states that these documents constituted more than 3,500 pages of material in its 2018 rate case. LG&E

avers that production of a paper copy of these materials is unduly burdensome and the storage and handling of these documents at the Commission may prove unwieldy.

Having reviewed the pleading and being otherwise sufficiently advised, the Commission finds that LG&E's request to publish an abbreviated customer notice is reasonable and should be granted. Because the full public notice would entail a large number of pages to be printed in a large number of newspaper publications given the number of counties that are located within the service territories of LG&E, the abbreviated notice will provide measurable savings to ratepayers. We also find that the abbreviated notice would not reduce transparency of the rate application to be filed by LG&E in light of the public awareness measures that LG&E proposes to implement in conjunction with the publication of the abbreviated customer notice. Because our approval is based in large part on the claimed savings in publication expenses, the Commission will expect LG&E to use its best efforts in achieving that level of savings. In the event the actual expense reduction is significantly lower than the claimed savings, the Commission will inquire accordingly during the discovery phase of LG&E's upcoming rate proceedings.

With respect to LG&E's request for a deviation from the requirement of 807 KAR 5:001, Section 8, for the filing in electronic medium instead of paper copies of (1) the most recent FERC audit report; (2) a prospectus of the most recent stock or bond offerings; (3) the most recent FERC Form 1 and Form 2 for electric and gas operations, respectively; and (4) the SEC annual report, Form 10-K, for the most recent two years, any Form 8-K issued in the last two years, and any Form 10-Q issued in the last two years, the Commission finds that this request is reasonable and should be granted.

IT IS HEREBY ORDERED that:

1. LG&E's request to publish an abbreviated customer notice for its upcoming rate application as described herein is granted.

2. LG&E's request to provide copies of the FERC and SEC documents and recent bond or stock prospectus that are required to be filed with its upcoming rate application and as identified herein in electronic medium instead of paper medium is granted.

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By the Commission



ATTEST:

A handwritten signature in blue ink, appearing to be "R. G.", written over a horizontal line.

Deputy Executive Director

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