Andy Beshear Governor

Rebecca W. Goodman Secretary Energy and Environment Cabinet



Commonwealth of Kentucky

Public Service Commission
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Michael J. Schmitt Chairman

Kent A. Chandler Vice Chairman

Talina R. Mathews Commissioner

August 28, 2020

PARTIES OF RECORD

Re: Case No. 2020-00016

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 Nancy Vinsel, Assistant General Counsel at 502-782-2582.

Sincerely,

Kent A. Chandler

**Acting Executive Director** 

njv

Attachment



#### **INTRA-AGENCY MEMORANDUM**

#### KENTUCKY PUBLIC SERVICE COMMISSION

**TO:** Case File No. 2020-00016

FROM: Nancy J. Vinsel, Assistant General Counsel

**DATE:** August 25, 2020

**RE:** Informal Conference of August 25, 2020

An informal conference (IC) was conducted by videoconference on August 25, 2020. Attached is a copy of the sign in sheet.

The purpose of the IC was to discuss the methodology to be applied during the Fuel Adjustment Clause (FAC) biennial review for the portion of a purchased power agreement (PPA) assigned to native load. Representatives of Louisville Gas and Electric Company (LG&E) and Kentucky Utilities Company (KU) (jointly, LG&E/KU) made a PowerPoint presentation, discussing historical FAC methodologies, explaining their position that After-the-Fact Billing was an accounting treatment and not applicable to a review of economy purchases in an FAC review, and proposing an alternative set forth in the attached presentation.

Commission Staff, the Attorney General of the Commonwealth of Kentucky, by and through the Office of Rate Intervention (Attorney General), and representatives of LG&E/KU discussed the next steps in processing this proceeding. The parties and Staff agreed that the procedural schedule should remain in abeyance at this time. LG&E/KU will file direct testimony in support of their proposed methodology. Staff will discuss holding a formal conference with the Commissioners and report back to the parties.

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

cc: Parties of Record

Attachment

### COMMONWEALTH OF KENTUCKY

# BEFORE THE PUBLIC SERVICE COMMISSION

### In the Matter of:

ELECTRONIC APPLICATION OF LOUISVILLE GAS	)	
AND ELECTRIC COMPANY AND KENTUCKY	)	CASE NO.
UTILITIES COMPANY FOR APPROVAL OF A	)	2020-00016
SOLAR POWER CONTRACT AND TWO	)	
RENEWABLE POWER AGREEMENTS TO	)	
SATISFY CUSTOMER REQUESTS FOR A	)	
RENEWABLE ENERGY SOURCE UNDER GREEN	)	
TARIFF OPTION #3	)	

# August 25, 2020

# Please sign in:

NAME	REPRESENTING
Nancy Vinsel	PSC – Legal
JEB Pinney	PSC – Legal
Tina Frederick	PSC – Legal
Mary Beth Purvis	PSC – FA
Mary Whitaker	PSC – FA
John Rogness	PSC – FA
Daniel Hinton	PSC – FA
Keegan Arnold	PSC – FA
Mike Foley	PSC - FA
Kendrick Riggs	LG&E/KU
Allyson Sturgeon	LG&E/KU
Robert Conroy	LG&E/KU

Lonnie Bellar LG&E/KU

Stuart Wilson LG&E/KU

John Horne Attorney General

Michael West Attorney General

Larry Cook Attorney General

\*Honorable Allyson K Sturgeon Managing Senior Counsel - Regulatory & 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

\*John Horne
Office of the Attorney General Office of Rate
700 Capitol Avenue
Suite 20
Frankfort, KENTUCKY 40601-8204

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

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

\*Larry Cook Assistant Attorney General Office of the Attorney General Office of Rate 700 Capitol Avenue Suite 20 Frankfort, KENTUCKY 40601-8204

\*J. Michael West 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 Vice President, State Regulation and Rates LG&E and KU Energy LLC 220 West Main Street Louisville, KENTUCKY 40202