COMMONWEALTH OF KENTUCKY BEFORE THE PUBLIC SERVICE COMMISSION CASE NO. $\underline{2022\text{-}00030}$

PUBLIC SERVICE COMMISSION

ALFRED SAYLOR COMPLAINANT

V.

KENTUCKY UTILITIES COMPANY

DEFENDANT

FORMAL COMPLAINT

Comes now the Complainant, Alfred Saylor ("Saylor"), by and through counsel, pursuant to 807 KAR 5:001 Section 20, and for his Formal Complaint against Kentucky Utilities Company ("KU"), state as follows.

PARTIES

- Complainant's name is Alfred Saylor, and he lives in Lexington, Kentucky. Saylor is a
 KU customer. His mailing address is 828 Hildeen Dr, Lexington, Kentucky 40502-2928.
 Saylor is participating in net metering service under KU's NMS-2 rider.
- 2. Defendant's full name and mailing address are, per its most recent rate case application¹: Kentucky Utilities Company, One Quality Street, Lexington, Kentucky 40507. Per Defendant's most recent annual report available through the Kentucky Public Service Commission, Defendant KU also uses as a mailing address: P.O. Box 32010, 220 West Main Street, Louisville, Kentucky 40202.

¹ KY PSC Case No. 2020-00349, Electronic Application of Kentucky Utilities Company For An Adjustment Of Its Electric Rates, a Certificate Of Public Convenience And Necessity To Deploy Advanced Metering Infrastructure, Approval Of Certain Regulatory And Accounting Treatments, And Establishment Of A One-Year Surcredit ("Case No. 2020-00349") (Application filed Nov. 25, 2020). NOTE: KU and Louisville Gas and Electric Company ("LG&E") each filed applications with the Commission with the latter's application assigned and processed as Case No. 2020-00350. In many instances, the Companies filed joint pleadings and the Commission issued a joint Order for both Case No. 2020-00349 and Case No. 2020-00350.

3. Defendant KU is a public utility engaged in the electric business. KU generates and purchases electricity, and distributes and sells electricity at retail in the following counties in Central, Northern, Southeastern, and Western Kentucky: Adair, Edmonson, Jessamine, Ohio, Anderson, Estill, Knox, Oldham, Ballard, Fayette, Larue, Owen, Barren, Fleming, Laurel, Pendleton, Bath, Franklin, Lee, Pulaski, Bell, Fulton, Lincoln, Robertson, Bourbon, Gallatin, Livingston, Rockcastle, Boyle, Garrard, Lyon, Rowan, Bracken, Grant, Madison, Russell, Bullitt, Grayson, Marion, Scott, Caldwell, Green, Mason, Shelby, Campbell, Hardin, McCracken, Spencer, Carlisle, Harlan, McCreary, Taylor, Carroll, Harrison, McLean, Trimble, Casey, Hart, Mercer, Union, Christian, Henderson, Montgomery, Washington, Clark, Henry, Muhlenberg, Webster, Clay, Hickman, Nelson, Whitley, Crittenden, Hopkins, Nicholas, Woodford, and Daviess.

FACTUAL BACKGROUND

KU's NMS-2 Tariff

- On November 25, 2020, KU filed with the Commission an Application for relief that included, among other things, Commission approval of a new Standard Rate Rider, NMS-2 or Net Metering Service-2.
- 5. Per the Application, KU proposed an NMS-2 tariff, at pertinent part, that would be:

Available to any Customer-generator who owns and operates a generating facility located on Customer's premises that generates electricity using solar, wind, biomass or biogas, or hydro energy in parallel with Company's electric distribution system to provide all or part of Customer's electrical requirements, and who executes Company's Application for Interconnection and Net Metering on or after January 1, 2021. The generation facility shall be limited to a maximum rated capacity of 45 kilowatts.²

2

² Case No. 2020-00349, Application (filed Nov. 25, 2020), Filing Requirements 1 of 3 [PDF 115 of 1864], Exhibit "A" to the Formal Complaint.

6. Per the Application, KU proposed an NMS-2 tariff, at pertinent part, that would calculate energy rates and credits in the following manner:

> For each billing period, Company will (a) bill Customer for all energy consumed in accordance with Customer's standard rate and (b) Company will provide a dollar denominated bill credit for each kWh of production. The dollar denominated bill credit will be calculated by multiplying the total kWh of production within the billing period by the Non-Time-Differentiated SQF rate within tariff Sheet No. 55. Any bill credits greater than the Customer's total bill will be carried forward to future bills.

Unused credits existing at the time Customer's service is terminated, end with Customer's account, have no monetary value, and are not transferrable between locations.³

7. In response to a request for information in Case No. 2020-00349, KU, at pertinent part, explained its proposed billing practice for NMS-2:

> The quoted rider NMS-2 language is not complete. As stated in the Rider NMS-2, "Company will (a) bill Customer for all energy consumed in accordance with Customer's standard rate and (b) Company will provide a dollar denominated bill credit for each kWh of production." The Company's meters for Rider NMS-2 customers are capable of measuring energy flow in both directions (See KRS 278.466(2) - Each retail electric supplier serving a customer with eligible electric generating facilities shall use a standard kilowatt-hour meter capable of registering the flow of electricity in two (2) directions). Thus, over the billing period, the meter will accumulate the amount of energy delivered to the customer (i.e., energy consumed by the customer) and the amount of energy the customergenerator delivers to the Company (i.e., energy put back onto the grid). The customer-generator will pay the standard tariffed rate for energy consumed and will get a bill credit for energy put back onto the grid at the Rider SQF rate.⁴

- 8. KU's proposed methodology for the NMS-2 netting period is properly characterized as an instantaneous credit or instantaneous netting approach.
- 9. In its September 24, 2021, Order in Case No. 2020-00349, the Commission made the following findings concerning KU's proposed netting period:

³ *Id*.

⁴ KU response to Kentucky Solar Industries Association, Inc.'s Initial Request for Information (filed Jan. 22, 2021), Item 17 [PDF 34, 35 of 52], Exhibit "B" to the Formal Complaint.

Based upon the evidence of record, the Commission finds that LG&E/KU's proposed methodology for NMS 2 netting period is not fair, just and reasonable, and should be rejected. This is because LG&E/KU's proposed instantaneous credit for all energy exported on to the grid is inconsistent with the plain language of KRS 278.465(4), which provides that "net metering means the difference between" the dollar value of all electricity generated by an eligible customergenerator that is exported to the grid over a billing period and the dollar value of all electricity consumed by the eligible customer-generator over the same billing period.

Consistent with our finding in Case No. 2020-00174⁵ and KRS 278.465(4), the Commission finds that LG&E/KU should continue to net the total energy consumed and the total energy exported by eligible customer-generators over the billing period in NMS 2 consistent with the billing period netting period establishes in NMS 1. The Commission further finds that, because the energy charge is based upon electricity consumed, the energy charge and any riders that are based on a per kWh charge should be netted against energy exported pursuant to KRS 278.465(4).⁶

- 10. Through an Order entered on September 24, 2021, the Commission denied the rates and charges proposed by KU for its Tariff NMS-2 KU and further ordered that KU's Tariff NMS-2 be modified as described in the September 24, 2021, Order.⁷
- 11. KU contested the Commission's September 24, 2021, Order arguing, among other things and at pertinent part, that the Commission's netting approach for NMS-2 was contrary to law.⁸
- 12. Through an Order entered on November 4, 2021, the Commission, among other things and at pertinent part, granted rehearing on the description of the netting methodology on page 48 of the Commission's September 24, 2021, Order.⁹

⁵ Electronic Application of Kentucky Power Company For (1) A General Adjustment Of Its Rates For Electric Service; (2) Approval Of Tariffs And Riders; (3) Approval Of Accounting Practices To Establish Regulatory Assets And Liabilities; (4) Approval Of A Certificate Of Public Convenience And Necessity; And (5) All Other Required Approvals And Relief ("Case No. 2020-00174") (Application deemed filed Jul. 15, 2020).

⁶ Case No. 2020-00349, Order (KY P.S.C. Sept. 24, 2021), at page 48, Exhibit "C" to the Formal Complaint.

⁷ *Id.*, at page 62.

⁸ Case No. 2020-00349, Joint Petition of Kentucky Utilities Company And Louisville Gas And Electric Company For Reconsideration Of The September 24, 2021 Order (filed Oct. 15, 2021), pages 12 to 15.

⁹ Case No. 2020-00349, Order (KY P.S.C. Nov. 4, 2021), page 25.

13. With regard to the netting methodology for NMS-2, the Commission ordered:

The first sentence in the second paragraph on page 48 of the September 24, 2021 Order is stricken and replaced with the following: Consistent with our finding in Case No. 2020-00174 and KRS 278.465(4), the Commission finds that LG&E/KU should continue to net the dollar value of the total energy consumed and the dollar value of the total energy exported by eligible customer generators over the billing period in NMS 2 consistent with the billing period netting period established in NMS 1.¹⁰

14. The Commission did not, through its November 4, 2021, Order on rehearing modify, withdraw, or otherwise change its September 24, 2021, finding that KU's proposed methodology for the NMS-2 netting period "is not fair, just and reasonable and should be rejected." Further, the Commission did not modify, withdraw, or otherwise change its September 24, 2021, finding:

This [rejection] is because LG&E/KU's proposed instantaneous credit for all energy exported on to the grid is inconsistent with the plain language of KRS 278.465(4), which provides that "net metering means the difference between" the dollar value of all electricity generated by an eligible customer-generator that is exported to the grid over a billing period and the dollar value of all electricity consumed by the eligible customer-generator over the same billing period.

- 15. KU and LG&E¹¹ filed an original action in the Franklin Circuit Court seeking judicial review of the Commission's September 24, 2021, and November 4, 2021, Orders in Case No. 2020-00349 and Case No. 2020-00350. 12
- 16. In the KU and LG&E Complaint in the Franklin Circuit Court, among other things and at pertinent part, KU notes that the Commission rejected the Companies' proposed dollar-

 $^{^{10}}$ *Id*

¹¹ This Formal Complaint is based upon KU's rates and service. To that end, while LG&E is identified, matters concerning LG&E's rates and service are not directly addressed by Complainant.

¹² Kentucky Utilities Company and Louisville Gas and Electric Company v. Public Service Commission of Kentucky, et al., Civil Action No. 21-CI-00872, Division II (Complaint filed Nov. 24, 2021).

- value netting approach. ¹³ The Companies assert that the Commission instead requires, through the pertinent Orders, a two-step netting approach. ¹⁴
- 17. KU's and LG&E's initial Franklin Circuit Court pleading demonstrates the Commission's rejection of instantaneous credit or instantaneous netting for all energy exported on to the grid for NMS-2.

KU's Tariff NMS-2 Service to Saylor

- 18. Saylor is a KU customer falling within the scope of availability for net metering service under KU's Tariff-NMS-2.
- 19. In the aftermath of the Kentucky Public Service Commission's rejection of KU's proposed instantaneous credit billing methodology in Case No. 2020-00349, KU correctly calculated Saylor's in an initial bill for current charges as of December 27, 2021. Specifically, KU netted Saylor's kWh generation put on the grid for the period (544 kWh) against his kWh usage imported from KU for the period (1,013 kWh) to determine total usage for the period (469 kWh). ¹⁵ KU, thereafter, calculated Saylor's current electric charges based upon total usage for the period of 469 kWh.
- 20. By a letter to Saylor dated December 28, 2021, KU, in summary, stated that it would adjust Saylor's net metering energy bill credits based upon the Commission's September 24, 2021, Order in Case No. 2020-00349.¹⁶
- 21. Through a subsequent bill for current charges as of December 29, 2021, KU based Saylor's current electric charges on his usage imported from KU for the period (1,013 kWh) without netting Saylor's generation (544 kWh) put on the grid against that

¹³ *Id.*, at page 13, Numbered Paragraph 47. Excerpt attached as Exhibit "D" to the Formal Complaint.

¹⁴ *Id*

¹⁵ Saylor initial bill, Exhibit "E" attached to the Formal Complaint.

¹⁶ KU December 28, 2021, letter to Saylor, Exhibit "F" attached to the Formal Complaint.

- imported usage.¹⁷ Saylor's subsequent bill implements the instantaneous credit or instantaneous netting approach for KU's Tariff NMS-2, the proposed approach expressly rejected by the Commission through its Orders in Case No. 2020-00349.
- 22. There is no Order of the Commission revoking or modifying the Commission's rejection of KU's proposed instantaneous credit or instantaneous netting approach for KU's Tariff NMS-2 authorizing.
- 23. There is no order or decree of a court of competent jurisdiction suspending or vacating in whole or in part the Commission's Orders in Case No. 2020-00349.

KU's Standard Rate Rider for NMS-2 Issued November 9, 2021

- 24. KU issued Tariff NMS-2 on November 9, 2021. 18
- 25. KU's Tariff NMS-2 (issued November 9, 2021) purports to implement the instantaneous credit or instantaneous netting approach expressly rejected by the Orders in Case No. 2020-00349.
- 26. There is no Order of the Commission approving KU's Tariff NMS-2 instantaneous credit or instantaneous netting approach set forth in Tariff NMS-2 (issued November 9, 2021).

Claim I

KU's Tariff NMS-2 Implements an Unauthorized and Rejected MethodologyFor the Netting Period and Calculation of Complainant Saylor's Bill.

27. Saylor is directly interested in KU's Tariff NMS-2 (issued November 9, 2021) and is adversely impacted by KU's unlawful and unauthorized instantaneous credit or instantaneous netting approach. KU's billing methodology was expressly rejected by the

¹⁷ Saylor's subsequent bill, Exhibit "G" attached to the Formal Complaint.

¹⁸ Kentucky Utilities Company, Rates, Terms, and Conditions for Furnishing Electric Service, P.S.C. KY. No. 20, First Revision of Original Sheet No. 58, effective Sept. 24, 2021, Exhibit "H" attached to the Formal Complaint.

- Commission in Case No. 2020-00349 and is not supported by a Commission Order. KU's Tariff NMS-2 contains an unlawful and unauthorized billing practice.
- 28. In this instance, KU seeks to recover from Saylor an amount based, in part, upon 1,013 kWh usage imported from KU for the billing period with the 544 kWh generation exported on to the grid *not* netted against the 1,013 kWh in order to determine the corresponding multiplier for calculating current electric charges.
- 29. Based upon the Orders in Case No. 2020-00349, KU is entitled to recovery from Saylor an amount based, in part, upon 469 kWh usage for the billing period correctly arrived at through netting the 544 kWh export on to the grid against the 1,013 kWh of usage imported from the Company in order to determine the corresponding multiplier for calculating current electric charges.
- 30. KU's Tariff NMS-2 seeks to implement an unlawful and unauthorized and rejected methodology for the KU Tariff NMS-2 netting period.
- 31. KU's Tariff NMS-2 instantaneous credit or instantaneous netting is a void practice.

CLAIM II

SAYLOR ESTABLISHES A PRIMA FACIE CASE

- 32. The above numbered paragraphs are incorporated herein as if fully set out below.
- 33. 807 KAR 5:001, Section 20(4)(a), requires that the Commission examine and determine whether the complaint establishes a *prima facie* case. A complaint establishes a *prima facie* case when, on its face, it states sufficient allegations that, if not contradicted by other evidence, would entitle the complainant to the requested relief. 19

¹⁹ Case No. 2010-00404, *Bulldog's Enterprises*, *Inc. d/b/a Bulldog's Road House v. Duke Energy Kentucky*, *Inc.* (Ky. PSC Nov 15, 2010).

34. Saylor is a KU customer currently taking service pursuant to KU's Tariff NMS-2. He is currently adversely impacted by the implementation of a billing practice expressly rejected by the Commission in Case No. 2020-00349 and without foundation in any subsequent Order. Saylor will continue to be adversely impacted until the unlawful and unauthorized billing practice in KU's Tariff NMS-2 is voided. Saylor has standing to assert these claims, the claims are ripe for review, and Saylor has stated sufficient allegations that would entitle him to the requested relief. Prohibiting and remedying unfair, unjust, and unreasonable practices, such as the unauthorized billing methodology in KU Tariff NMS-2 is squarely within the Commission's jurisdiction over Defendant KU's rates and service.

WHEREFORE, the Complainant respectfully requests the following relief:

- 1. The Commission find and conclude that Saylor has established a *prima facie* case;
- In the event that Defendant KU fails to satisfy Saylor's Complaint, that the Commission
 find and conclude by Order that the instantaneous credit billing methodology in KU
 Tariff NMS-2 is void;
- An Order from the Commission requiring KU to implement the Orders from Case No.
 2020-00349 with regard to the NMS-2 netting period;
- 4. An Order from the Commission confirming that the Case No. 2020-00349 did not authorize instantaneous credit or instantaneous netting;
- A full refund, with interest, of the amounts billed to and paid by Saylor through the implementation of the unlawful, unauthorized and void billing methodology in KU Tariff NMS-2; and

6. All other relief that Complainant is entitled.

Respectfully submitted,

Randal A. Strobo, KBA #92767 David E. Spenard, KBA #84035 Strobo Barkley PLLC 730 West Main Street, Suite 202 Louisville, Kentucky 40202 (502) 290-9751 rstrobo@strobobarkley.com dspenard@strobobarkley.com

Counsel for Complainant Alfred Saylor

EXHIBIT A

Standard Rate Rider

NMS-2

Net Metering Service-2

APPLICABLE

In all territory served.

AVAILABILITY

Available to any Customer-generator who owns and operates a generating facility located on Customer's premises that generates electricity using solar, wind, biomass or biogas, or hydro energy in parallel with Company's electric distribution system to provide all or part of Customer's electrical requirements, and who executes Company's Application for Interconnection and Net Metering on or after January 1, 2021. The generation facility shall be limited to a maximum rated capacity of 45 kilowatts.

Company's Application for Interconnection and Net Metering is available online at https://lge-ku.com/residential/net-metering. Company will provide a paper application to Customer upon request.

BILLING

All Customer bills will be calculated in accordance with the Customer's standard rate schedule

ENERGY RATES & CREDITS

For each billing period, Company will (a) bill Customer for all energy consumed in accordance with Customer's standard rate and (b) Company will provide a dollar denominated bill credit for each kWh of production. The dollar denominated bill credit will be calculated by multiplying the total kWh of production within the billing period by the Non-Time-Differentiated SQF rate within tariff Sheet No. 55. Any bill credits greater than the Customer's total bill will be carried forward to future bills.

Unused credits existing at the time Customer's service is terminated, end with Customer's account, have no monetary value, and are not transferrable between locations.

TERMS AND CONDITIONS

Except as provided herein, service will be furnished under Company's Terms and Conditions applicable hereto. The Net Metering Service Interconnection Guidelines applicable to this Rider are at Sheet Nos. 108 *et seg.*

DATE OF ISSUE: November 25, 2020

DATE EFFECTIVE: With Service Rendered

On and After January 1, 2021

ISSUED BY: /s/ Robert M. Conroy, Vice President

State Regulation and Rates

Lexington, Kentucky

Issued by Authority of an Order of the Public Service Commission in Case No. 2020-00349 dated XXXX

Ν

EXHIBIT B

KENTUCKY UTILITIES COMPANY

Response to Kentucky Solar Industries Association, Inc.'s Initial Requests for Information Dated January 8, 2021

Case No. 2020-00349

Question No. 17

Responding Witness: Robert M. Conroy / William Steven Seelye

- Q-17. Reference: Rider NMS-2 [PDF 115 of 1864] in the Section entitled Energy Rates and Credits, stating, in pertinent part, "Company will provide a dollar denominated bill credit for each kWh of production" and Seelye Direct at page 43 [PDF 47 of 491] lines 8-10 stating "Under the Companies' proposed NMS-2 schedule, new customer-generators will be compensated for any net generation they supply to the grid (i.e., generation that exceeds their energy requirements during the month) at the avoided cost rate..." Please clarify the crediting and/or netting practice used in NMS-2 by identifying which of the examples below(a-d) is correct. If the example is incorrect, please explain why it is incorrect.
 - a. A customer-generator produces 1,000 kWh in total during a month and consumes a total of 800 kWh. The customer pays the applicable tariff rate for 800 kWh of consumption and is credited for 1,000 kWh of production at the Rider SQF rate.
 - b. A customer-generator produces 1,000 kWh in total during a month and consumes a total of 800 kWh. The customer's generation in excess of their energy requirements is 200 kWh, therefore the customer does not pay anything in form volumetric charges and is credited for 200 kWh of monthly excess generation at the Rider SQF Rate.
 - c. A customer-generator produces 1,000 kWh in total during a month and consumes a total of 800 kWh. Of the 1,000 kWh of production, 400 kWh is used directly behind the customer meter and 600 kWh is exported. The customer therefore pays for 400 kWh of consumption from the grid (i.e., 800 400) at the applicable tariff rate and is credited for 600 kWh of exports (i.e., 1000 400) at the Rider SQF Rate.
 - d. If crediting and/or netting is determined through a different practice, please explain using the above basic inputs of 1,000 kWh of total production, 400 kWh used directly on-site behind the customer meter, and 800 kWh of total consumption.
 - e. If subpart (c) of this information request presents the correct netting and crediting methodology, please clarify over what duration net customer exports are measured (i.e., instantaneous, 15-minute intervals, 60-minute intervals).

- A-17. The quoted rider NMS-2 language is not complete. As stated in the Rider NMS-2, "Company will (a) bill Customer for all energy consumed in accordance with Customer's standard rate and (b) Company will provide a dollar denominated bill credit for each kWh of production." The Company's meters for Rider NMS-2 customers are capable of measuring energy flow in both directions (See KRS 278.466(2) Each retail electric supplier serving a customer with eligible electric generating facilities shall use a standard kilowatt-hour meter capable of registering the flow of electricity in two (2) directions). Thus, over the billing period, the meter will accumulate the amount of energy delivered to the customer (i.e. energy consumed by the customer) and the amount of energy the customer-generator delivers to the Company (i.e. energy put back onto the grid). The customer-generator will pay the standard tariffed rate for energy consumed and will get a bill credit for energy put back onto the grid at the Rider SQF rate.
 - a. Not correct. The hypothetical scenario does not indicated the amount of energy consumed and the amount of energy put back onto the grid as measured by the customers' meter as discussed above.
 - b. Not correct. The hypothetical scenario does not indicated the amount of energy consumed and the amount of energy put back onto the grid as measured by the customers' meter as discussed above.
 - c. The hypothetical scenario appears to represent the appropriate billing. Under this scenario, it appears that the amount of energy consumed as measured by the customers' meter would be 400 kWh and the amount of energy put back onto the grid as measured by the customers' meter would be 600 kWh.
 - d. Not applicable.
 - e. Based on the meter's ability to measure the flow of electricity in two (2) directions, the measurement interval is instantaneous.

EXHIBIT C

Based upon the evidence of record, the Commission finds that LG&E/KU's proposed methodology for NMS 2 netting period is not fair, just and reasonable, and should be rejected. This is because LG&E/KU's proposed instantaneous credit for all energy exported on to the grid is inconsistent with the plain language of KRS 278.465(4), which provides that "net metering means the difference between" the dollar value of all electricity generated by an eligible customer-generator that is exported to the grid over a billing period and the dollar value of all electricity consumed by the eligible customer-generator over the same billing period.

Consistent with our finding in Case No. 2020-00174 and KRS 278.465(4), the Commission finds that LG&E/KU should continue to net the total energy consumed and the total energy exported by eligible customer-generators over the billing period in NMS 2 consistent with the billing period netting period establishes in NMS 1. The Commission further finds that, because the energy charge is based upon electricity consumed, the energy charge and any riders that are based on a per kWh charge should be netted against energy exported pursuant to KRS 278.465(4).

Avoided Cost Rate Calculation

Having reviewed the case record and being otherwise sufficiently advised, the Commission finds that LG&E/KU's proposed export rates based upon avoided costs as modified below reflect best practices in developing successor net metering rates, and are fair, just and reasonable.

Avoided Energy Cost: LG&E/KU based their avoided energy cost for NMS 2 customers on the avoided energy cost established for QFs, which the Commission found

Case No. 2020-00349 Case No. 2020-00350

EXHIBIT D

21-CI-00872

billing period by the Non-Time-Differentiated SQF rate within tariff Sheet No. 55.¹³

11/24/2021

- 47. In the Commission's September 24, 2021 Order in both of the Companies' rate cases, however, the Commission rejected the Companies' proposed dollar-value netting approach and instead required the Companies to implement a two-step netting approach. In the first step, in each billing period an NMS-2 net metering customer's energy consumed from the grid (in kWh) would be subtracted from or netted against the customer's energy exported to the grid (in kWh). In the second step, the difference resulting from this kWh-to-kWh netting would then be assigned a dollar-value using either the customer's standard tariff rate (if the customer was a net consumer for the billing period) or the NMS-2 compensation rate (if the customer was a net producer for the billing period. In the Second step, the difference resulting from this kWh-to-kWh netting would then be assigned a dollar-value using either the customer's standard tariff rate (if the customer was a net producer for the billing period.
- 48. The Companies sought reconsideration of the Commission's rejection of dollar-value netting for Rider NMS-2, noting that the two-step kWh-to-kWh netting the Commission required was inconsistent with KRS 278.465(4) and 278.466(3), which require a one-step dollar-value netting only and contain no reference to the Commission's imposed first step of energy netting for net metering customers who are not grandfathered under KRS 278.466(6) before assigning a dollar value.
- 49. The Commission's November 4, 2021 Order granted rehearing for the netting issue the Companies had raised, but only "for the limited purpose of correcting an inadvertent omission,"

11/24/2021

¹³ See id.

¹⁴ See Exhibit B, Commission's September 24, 2021 Orders issued in Case Nos. 2020-00349 and 2020-00350, at page 48 ("Consistent with our finding in Case No. 2020-00174 and KRS 278.465(4), the Commission finds that LG&E/KU should continue to net the total energy consumed and the total energy exported by eligible customer-generators over the billing period in NMS 2 consistent with the billing period netting period establishes in NMS 1.").

¹⁵ See id.

EXHIBIT E



a PPL company

BILLING SUMMARY

Previous Balance	181.00
Payment(s) Received	-181.00
Balance as of 12/27/21	\$0.00
Current Electric Charges	66.32
Current Taxes and Fees	4.62
Total Current Charges as of 12/27/21	\$70.94
Budget Amount	181.00
Total Amount Due	\$181.00

Mailed 12/28/21 for Account #

\$181.00

DUE DATE 1/21/22

Online or phone payments made before 7 pm ET will be posted same day

Account Name:

Service Address:

AL SAYLOR

Online Payments:

lge-ku.com

Telephone Payments:

(859) 255-0394, press 1-2-3

24 hours a day; \$2.00 fee

Customer Service:

Walk-in Center:

(859) 255-0394

M-F, 7am-7pm ET

1 Quality Street

Lexington, KY 40507

M-F, 9am-5pm ET

Next read will occur 1/24/22 - 1/26/22 (Meter Read Portion 16)

F CURRENT		USAGE INFO	RMATION				Rate: Reside		- Net Meterin
	Meter Number	Previous Read Date	Previous Reading	Current Read Date	Current Reading	Read Code*	Meter Multiplier	Usage kWh	Demand (KW)
kWh	2408834	11/23/21-	352	12/27/21	1365	R	1	1,013	
kWhGEN	2408834	11/23/21	203	12/27/21	747	R	1	-544	
							Total Usage	469	-

	CURRENT ELECTRIC CHARGES	Rate: Residential Service - Net Metering	
-	Basic Service Charge (S0.53 x 34 Days)	18.02	
1	Energy Charge (\$0.0967 x 163 kWh)	15.76	-
1	Energy Charge (\$0.09699 x 306 kWh)	29.68	Ì
-	Electric DSM (\$0.00083 x 469 kWh)	0.39	į
:	Fuel Adjustment (\$0.00175 x 469 kWh)	0.82	i
	Economic Relief Surcredit (\$-0.00068 x 469 kWh)	-0.32	
į	Environmental Surcharge (2.600% x \$64.35)	1.67	1
;	Home Energy Assistance Fund Charge	0.30	-
1	Total Charges	\$66.32	

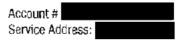
Please return only this portion with your payment. Make checks payable to KU and write your account number on your check.

Amount Due 1/21/22	\$181.00
After Due Date, Pay this Amount:	\$186.44
WinterCare Donation:	
Total Amount Enclosed:	AUTOPAY

\$181.00 will be deducted from your account on payment due date



P0 Box 25212 Lehîgh Valley, PA 18002-5212





լլըվհենկիրիվ ընդանիկին ավիրերին հենանին և



BILLING PERIOD AT-A-GLANCE					
	THIS YEAR	LAST YEAR			
Average Temperature	44°	40°			
Number of Days Billed	34	34			
Avg. Electric Charges per Day	\$1.95	\$5.03			
Avo. Electric Usage per Day (kWh)	13.79	48 50			

MOI	NTHL	Y US	AGE		::3	ELECT	RIC (ki	V h)					Current Billing Asplod	
	1649	2017	2066	1209		988	1377	1592	1763	1520	1283	721	469	
<u></u>	DEC 2020	JAN 2021	FEB	MAR	APR	MAY	JUN	JUL	AUG	SEP	OCT	NOV	DEC	-
AVERAGE	40°	34°	2 9°	48°	51°	61°	70°	75°	76°	71°	64°	45°	44≎	
4	5.03	6.23	6.85	4.19	4.08	4.25	4.83	5.76	5 .99	5.26	4.€4	3.03	7. 9 5	

Taxes & Fees

Rate Increase For School Tax (3.00% x \$66.02) Franchise Fee-Lexington-Fayette (4.00% x \$66.02)

2.64 \$4.62

1.98

Total Taxes and Fees

BILLING INFORMATION

Late Payment Charge

Late Charge to be Assessed After Due Date \$5,44

Budget Payment Plan

Actual billings to date \$1,653,93 Budget Roll-In \$0.00 Budget payments received to date \$1,810.00 Budget settle month January Actual account balance after paying this bill -\$337.07 Budget amount \$181.00

Explanation of Meter Reading Codes

Meter Read Codes: R - Actual Read; V - Verified Read; E - Estimated Read; S - Self Read

HELP YOUR NEIGHBORS STAY WARM



KU matches customers' donations to the WinterCare Energy Assistance Fund. Make your donation TODAY!

lge-ku.com

OFFICE USE ONLY: NM MRU16311556, G000000 P181.00 PF:Y eB:P

Page 3 Account #

BILLING INFORMATION (continued)

Additional Energy Use (kWh) Information Regarding Your Net Metering Service-1 Billing

Consumption credit for excess kWh generation before billing:

0 kWh
Energy credit for excess generation on this bill:

469 kWh
Excess energy used this period:

469 kWh

Energy credit remaining after billing (If any):

0 kWh

Rate Schedules

For a copy of your rate schedule, visit <u>lige-kg.com/rates</u> or call our Customer Service Department.



EXHIBIT F





Kentucky Utilities Company Customer Services One Quality St. Lexington, Ky. 40507 Ige-ku.com/netmetering

December 28, 2021

Adjustment to Net Metering Energy Bill Credits

Dear Al Saylor,

We are reaching out because you are a customer taking service under KU's Net Metering tariff. On Sept. 24, 2021, an order by the Kentucky Public Service Commission (Case Number 2020-00349), changed the per-kilowatt-hour (kWh) bill credit for the electricity your generating facility exports to the energy grid.

The dollar-denominated bill credit that was approved and effective with service rendered after Sept. 24, 2021, is \$0.07366 per kWh through the Net Metering Service-2 (NMS-2) rate. Since that time, you have been receiving credit for electricity exported to the energy grid at the previously-approved higher Net Metering Service-1 (NMS-1) rate.

In order to reconcile the difference in the value of the exported energy for which you've been credited after Sept. 24, 2021, you will soon receive an adjusted billing statement. And, going forward, you will continue to receive credit for the electricity you export to the energy grid at the NMS-2 rate.

Please visit lge-ku.com/netmetering for more information and to review our net metering tarrif approved by the Kentucky Public Service Commission.

Sincerely,

The Customer Services Team

EXHIBIT G



a PPL company

BILLING SUMMARY

Total Amount Due	\$181.00
Total Current Charges as of 12/29/21	\$85.95
Budget Amount	181.00
Current Electric Charges	80.35
Current Taxes and Fees	5,60
Balance as of 12/29/21	\$0.00
Previous Balance	0.00
Payment(s) Received	0.00

Mailed 12/30/21 for Account #

AMOUNT DUE. \$181.00

1/25/22

Online or phone payments made before 7 pm ET will be posted same day

Account Name:

AL SAYLOR

Service Address:

Online Payments:

ig e-ku.com

Telephone Payments:

(859) 255-0394, press 1-2-3

24 hours a day; \$2.00 fee

Customer Service:

(859) 255-0394

Walk-in Center:

M-F, 7am-7pm ET 1 Quality Street

Lexington, KY 40507

M-F, 9am-5pm ET

Next read will occur 1/24/22 - 1/26/22 (Meter Read Portion 16)

CURRENT	METER AND	USAGE INFO					Rate: Reside	ntial Service	- Net Meteri
	Meter Number	Previous Read Date	Previous Reading	Current Read Date	Current Reading	Read Code*	Meter Multiplier	Usage kWh	Demand (kW)
kWh	2408834	11/23/21	352	12/27/21	1365	В	1	1,013	
kWhGEN	2408834	11/23/21	203	12/27/21	747	R	1	-544	
							Total Usage	469	•

F CURRENT ELECTRIC CHARGES	Rate: Residential Service - Net Metering
Basic Service Charge (\$0.53 x 34 Days)	18.02
Energy Charge (\$0.0967 x 361 kWh)	34.91
Energy Charge (\$0.09699 x 652 kWh)	63.24
Electric OSM (\$0.00083 x 1,013 kWh)	0.84
Fuel Adjustment (\$0.00175 x 1,013 kWh)	1.77
Economic Relief Surcredit (\$-0.00068 x 1,013 kWh)	-0.69
NMS-2 Billing Credit Applied	-40.07
Environmental Surcharge (2.600% x \$78.02)	2.03
Home Energy Assistance Fund Charge	0.30
Total Charges	\$80.35

Please return only this portion with your payment. Make checks payable to KU and write your account number on your check.

Amount Due 1/25/22	\$181.00
After Due Date, Pay this Amount:	\$186.43
WinterCare Donation:	
Total Amount Enclosed:	AUTOPAY

\$181.00 will be deducted from your account on payment due date



Account #
Service Address:



թիրությելույիր կրկարկերի հուրակիս արկարակիրություն



1	5.00	
经	95	
Ú۲	26.5	

BILLING	PERIOD	AT-A-	GLANCE
---------	--------	-------	--------

Principality is the statement and the statement of	4 40 100	
	THIS YEAR	LAST YEAR
Average Temperature	44°	40°
Number of Days Billied	34	34
Avg. Electric Charges per Day	\$2.36	\$5.03
Avo. Flectric Usage per Day (kWh)	29.79	48.50

MONTHLY USAGE				CELECTRIC (kWh)							CURRENT BILLING PERIOD			
	1649	2017	2086	1208	1207	98	1377	1562	1763	1520	1283	924	1013	
3	0EC 2020	JAN 2021	FEB	MAR	APR	MAY	JUN	JUL	AUG	SEP	OCT	YGN	DEC	
AVERAGE	40°	34°	29°	48°	51°	61°	70°	75°	76°	710	64*	45°	44°	
*	5.03	6.23	6.85	4.19	4.08	4.25	4.83	5.76	5.99	5.26	4.64	3.20	2.36	

Taxes & Fees

Rate Increase For School Tax (3.00% x \$80.05) Franchise Fee-Lexington-Fayette (4.00% x \$80.05)

Total Taxes and Fees

2.40 3.20

\$5.60

HELP YOUR NEIGHBORS STAY WARM



KU matches customers' donations to the WinterCare Energy Assistance Fund, Make your donation TODAY!

lge-ku.com

OFFICE USE ONLY: NM MRU16311556, G000000

PF:Y eB:P

BILLING INFORMATION

Additional Information Regarding Your Net Metering Service-2 Billing

Accumulated generation credit before this bill:		\$0.00
Generation credit for 544 kWh on this bill:		\$40.07
Credit applied to current energy charges:		\$40.07
Generation credit remaining after billing (if any):		\$0.00

Generation credit is calculated using the approved NMS-2 rate.

Late Payment Charge

Late Charge to be Assessed After Due Date \$5.43

Budget Payment Plan

Actual billings to date	\$1,674.17
Budget Roll-In	\$0.00
Budget payments received to date	\$1,810.00
Budget settle month	January
Actual account balance after paying this bill	-\$316.83
Budget amount	\$181.00

Explanation of Meter Reading Codes

Meter Read Codes: R - Actual Read; V - Verified Read; E - Estimated Read; S - Self Read

Rate Schedules

For a copy of your rate schedule, visit <u>lge-ku.com/rates</u> or call our Customer Service Department.



EXHIBIT H

Kentucky Utilities Company

One Quality Street Lexington, Kentucky www.lge-ku.com

Rates, Terms, and Conditions for Furnishing

ELECTRIC SERVICE

In all territory served as stated on Tariff Sheet No. 1.2 of this Book

PUBLIC SERVICE COMMISSION OF KENTUCKY

DATE OF ISSUE: July 20, 2021

DATE EFFECTIVE: With Service Rendered

On and After July 1, 2021

ISSUED BY: /s/ Robert M. Conroy, Vice President

State Regulation and Rates

Lexington, Kentucky

KENTUCKY

PUBLIC SERVICE COMMISSION

Linda C. Bridwell Executive Director

EFFECTIVE

7/1/2021

PURSUANT TO 807 KAR 5:011 SECTION 9 (1)

Kentucky Utilities Company

P.S.C. No. 20, First Revision of Original Sheet No. 58 Canceling P.S.C. No. 20, Original Sheet No. 58

Standard Rate Rider

NMS-2

Net Metering Service-2

APPLICABLE

In all territory served.

AVAILABILITY

Available to any Customer-generator who owns and operates a generating facility located on Customer's premises that generates electricity using solar, wind, biomass or biogas, or hydro energy in parallel with Company's electric distribution system to provide all or part of Customer's electrical requirements, and whose eligible generating facility first attains in service status on or after September 24, 2021. The generation facility shall be limited to a maximum rated capacity of 45 kilowatts.

Each Customer-generator taking service under NMS-2 and a standard rate schedule with a two-part rate structure will be allowed to take service under a two-part rate structure for 25 years from the date on which the Customer-generator began taking service under NMS-2.

BILLING

All Customer bills will be calculated in accordance with Customer's standard rate schedule.

ENERGY RATES & CREDITS

For each billing period, Company will net the dollar value of the total energy consumed and the dollar value of the total energy exported by Customer as follows: Company will (a) bill Customer for all energy consumed from Company in accordance with Customer's standard rate and (b) Company will provide a dollar-denominated bill credit for each kWh Customer produces to the Company's grid.

Dollar-denominated bill credit:

\$0.07366 per kWh

The dollar-denominated bill credit will be applied only to the energy charge and any riders that are based on a per kWh charge. Any bill credits not applied to a Customer's bill in a billing period are "unused excess billing-period credits." Any unused excess billing-period credits will be carried forward and drawn on by Customer as needed.

T/N T/N

T/N

T/N

D

Unused excess billing-period credits existing at the time Customer's service is terminated end with Customer's account and are not transferrable between Customers or locations. For joint accounts, unused excess billing-period credits will be carried forward as long as at least one joint account holder remains in the same location.

TERMS AND CONDITIONS

Except as provided herein, service will be furnished under Company's Terms and Conditions applicable hereto. The Net Metering Service Interconnection Guidelines applicable to this Rider are at Sheet Nos. 108 *et seq.*

DATE OF ISSUE: November 9, 2021

DATE EFFECTIVE: With Service Rendered

On and After September 24, 2021

ISSUED BY: /s/ Robert M. Conroy, Vice President

State Regulation and Rates

Lexington, Kentucky

Issued by Authority of an Order of the Public Service Commission in Case No. 2020-00349 dated November 4, 2021

KENTUCKY

PUBLIC SERVICE COMMISSION

Linda C. Bridwell Executive Director

EFFECTIVE

9/24/2021

PURSUANT TO 807 KAR 5:011 SECTION 9 (1)