

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)	CASE NO.
RATES AND APPROVAL OF CERTAIN)	2025-00114
REGULATORY AND ACCOUNTING)	
TREATMENTS)	

ORDER

On April 29, 2025, and Louisville Gas and Electric Company (LG&E) and Kentucky Utilities Company (KU) (jointly, LG&E/KU) filed a renewed motion for deviation from filing requirements pursuant to 807 KAR 5:001, Section 5 and Section 17(5),¹ in response to the Commission's April 21, 2025 Order that denied LG&E/KU's motion to deviate and granted LG&E/KU leave to refile in compliance with the requirements set forth in the body the Order.²

LEGAL STANDARD

Commission regulation 807 KAR 5:001 Section 16, Section 17 and Section 22 are applicable to this request. Specifically, Commission regulation 807 KAR 5:001, Section 16(2) permits a utility to file a request to the Commission to allow abbreviated newspaper notice after a notice of intent for an application of an adjustment of rates has been filed. Commission regulation 807 KAR 5:001, Section 17(2) outlines the methods for a utility to

¹ LG&E/KU's Joint Renewed Motion for Deviation (Renewed Deviation Motion) (filed Apr. 29, 2025).

² Order (Ky. PSC Apr. 21, 2025).

provide notice to its customers of an application for an adjustment of rates.³ Commission regulation 807 KAR 5:001, Section 17(2)(b)(3) permits a utility to satisfy the notice requirement by publishing the notice in a newspaper of general circulation in the utility's service area once a week for three weeks.⁴ Commission regulation 807 KAR 5:001, Section 17(5) allows a utility to request permission to provide abbreviated notice of a rate application.⁵ Commission regulation 807 KAR 5:001, Section 17(1)(a) provides that a utility shall post at its place of business a copy of the notice no later than the date the application is submitted to the Commission.⁶ In addition, 807 KAR 5:001 Section 17(1)(b) requires a utility to post notice on its website as well as a hyperlink to the Commission's website to the location of the application within five business days of the filing of the application.

The regulation related to tariffs, 807 KAR 5:011, is applicable and specifically, 807 KAR 5:011 Section 8(1)(a) requires that a utility post at its place of business a copy of the notice no later than the date the tariff filing is submitted to the Commission.⁷ Commission regulation 807 KAR 5:001 Section 22 and 807 KAR 5:011 Section 15 allows the Commission to grant deviations from the regulations for good cause shown.⁸

³ 807 KAR 5:001 Section 17(2).

⁴ 807 KAR 5:001 Section 17(2)(b)(3).

⁵ 807 KAR 5:001 Section 17(5).

⁶ 807 KAR 5:001 Section 17(1)(a).

⁷ 807 KAR 5:011 Section 8(1)(a).

⁸ 807 KAR 5:001 Section 22 and 807 KAR 5:011 Section 15.

MOTION

In its Renewed Motion for Deviation, LG&E/KU provided the Commission with a copy of its full notice, filed as a confidential attachment, and included a motion for confidential treatment.⁹ LG&E/KU explained that the estimated cost of publishing the abbreviated notice provided in compliance with the Commission's April 21, 2025 Order will increase to approximately \$800,000.¹⁰ Additionally, LG&E/KU provided the proposed abbreviated notice for the 2025 rate cases as Exhibit B¹¹ and a proposed bill inserts as Exhibit C.¹²

LG&E/KU's Renewed Motion for Deviation reiterated the following from its April 7, 2025 motion for deviation and specified that it will take the following steps to ensure public awareness of the proposed rate adjustments. LG&E/KU stated that, in addition to publication of the abbreviated notice, it would provide a complete copy of the full notice upon request, as well as make it available to customers by mail or email.¹³ Additionally, LG&E/KU stated it would post the abbreviated notice on the publicly visible outside doors of its offices in Lexington and Louisville and a uniform resource link (URL)¹⁴ to its full Section 17(4) notice and, when filed, the location on the Commission's website where case documents and tariff filings will be available.¹⁵ Further beginning on May 30, 2025,

⁹ Renewed Deviation Motion at 3.

¹⁰ Renewed Deviation Motion at 3.

¹¹ Renewed Deviation Motion at 3.

¹² Renewed Deviation Motion at 4.

¹³ Renewed Deviation Motion at 3.

¹⁴. URL to LG&E/KU's website rather than a hyperlink is to be provided in the abbreviated notice.

¹⁵ Renewed Deviation Motion at 3-4.

LG&E/KU would include a bill insert that would be sent to all Kentucky retail customers during the course of their regular billing cycle, which would show the requested annual increase in dollars and percentages for all rate classes and would include a URL to a Section 17 compliant notice.¹⁶ Additionally, LG&E/KU stated it will notify by email 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 and provide a hyperlink to the location on the Commission's website where case documents and tariff filings are available.¹⁷

LG&E/KU, at the time the newspapers publish the legal notice, would issue press advisories to all known news media organizations who cover the areas within their certified territory advising of the filing of their applications and include a URL to the location on LG&E/KU's and the Commission's websites where case documents and tariff filings will be available.¹⁸ The URL to LG&E/KU's website would contain¹⁹ the same notice being published by the newspapers until the date the applications are filed, and on the date applications are filed, LG&E/KU's website would be updated to contain the complete, public version of the applications filed with the Commission.²⁰ LG&E/KU, also proposed to include the full Section 17 notice in the initial filing as a separate document,

¹⁶ Renewed Deviation Motion at 4.

¹⁷ Renewed Deviation Motion at 4.

¹⁸ Renewed Deviation Motion at 4.

¹⁹ URL would send customers to the location with the appropriate information, but the Order reflects the information provided in the Motion.

²⁰ Renewed Deviation Motion at 5.

labeled “Customer Notice of Rate Adjustment,” to enable customers accessing the Commission’s website to locate the notice easily.²¹

DISCUSSION AND FINDINGS

Having considered the record and being otherwise sufficiently advised, the Commission finds that LG&E/KU’s Renewed Motion to Deviate should be granted as discussed below.

The Commission’s April 21, 2025 Order denied LG&E/KU’s motion to deviate from 807 KAR 5:001, Section 17(5) and stated the remaining requests for deviations related to notice as a whole, including proposed alternatives, would be considered if LG&E/KU refiled the Motion.²² While the Commission agreed with LG&E/KU that the costs of publishing the entire notice in this instance may exceed the benefits of having the complete notice published in all required newspapers, the Commission found that the notice provided with its April 7, 2025 request for deviation was generic and did not address any proposed tariff changes or items that may impact the request for a general rate adjustment of the gas rates.²³ Additionally, the Commission’s April 21, 2025 Order encouraged LG&E/KU to follow more closely the notice format approved in Case No.

²¹ Renewed Deviation Motion at 5.

²² Order (Ky. PSC Apr. 21, 2025) 8-9.

²³ Order (Ky. PSC Apr. 21, 2025) at 9.

2020-00349²⁴ and 2020-00350.²⁵ The Commission stated that LG&E/KU's abbreviated notice should include the proposed changes in the text of its rate schedules and other tariff provisions, including its terms and conditions for electric or gas service, so that the Commission can review the motion for a deviation and abbreviated notice appropriately to determine whether the abbreviated notice meets all requirements.²⁶ Finally, the Commission's April 21, 2025 Order stated that the abbreviated notice should include a direct URL to the full notice²⁷ and the specific URL should make it easy for anyone reading the notice to search using the web address bar.²⁸ Further as by required by 807 KAR 5:0001 Section 17(1)(b), a full copy of the notice should be posted on LG&E/KU's webpage and include a hyperlink to the location on the Commission's website where case documents and tariff filings are available.²⁹ Finally, abbreviated notice should also reflect to the most recent quarterly changes to gas rates.³⁰

The Commission finds that LG&E/KU's abbreviated notice reflects the Commission's instructions in its April 21, 2025 Order, and the copy of the proposed notice

²⁴ 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* (filed Jan. 12, 2021), Certificate of Completed Notice.

²⁵ Case No. 2020-00350, *Electronic Application of Louisville Gas and Electric Company for an Adjustment of its Electric and Gas 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* (filed Jan. 12, 2021), Certificate of Completed Notice; Apr. 21, 2025 Order at 9.

²⁶ Order (Ky. PSC Apr. 21, 2025) at 9.

²⁷ Order (Ky. PSC Apr. 21, 2025) at 4.

²⁸ Order (Ky. PSC Apr. 21, 2025) at 10.

²⁹ Order (Ky. PSC Apr. 21, 2025) at 10.

³⁰ Order (Ky. PSC Apr. 21, 2025) at 10.

filed in the instant matter is comparable to the notice approved in Case Nos. 2020-00349³¹ and 2020-00350.³² Therefore, the Commission finds that LG&E/KU's request to publish an abbreviated customer notice is reasonable and should be granted. The Commission also finds that LG&E/KU's request to deviate from 807 KAR 5:011, Section 8(1)(a) is granted; however, LG&E/KU is authorized to post the abbreviated notice, rather than the full notice, outside of its place(s) of business.

Publication of the full public notice would entail multiple 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/KU. The abbreviated notice will provide measurable savings to ratepayers. If the Commission were not to grant the deviation, the full notice would likely result in a cost of about 6.7 million, while the cost of the current proposed abbreviated notice is approximately \$800,000.³³ The Commission expects LG&E/KU to use its best efforts in achieving the approximately \$5.9 million level of savings. Additionally, the Commission finds that the abbreviated notice should not impact public knowledge of the rate application to be filed by LG&E/KU, in light of the public awareness measures that LG&E/ KU proposes to implement in conjunction with the publication of the abbreviated customer notice.

³¹ 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* (Ky. PSC Nov. 10, 2020), Order.

³² Case No. 2020-00350, *Electronic Application of Louisville Gas and Electric Company for and Adjustment of its Electric and Gas 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* (Ky. PSC Nov. 10, 2020), Order.

³³ LG&E/KU's Joint Motion for Deviation (Deviation Motion) (filed Apr. 7, 2025) at 8; Renewed Motion at 3.

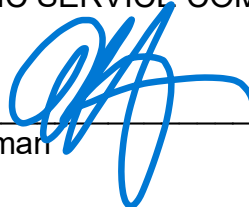
The Commission cautions LG&E/KU that this Order does not constitute approval of the notice, only approval of publication of this abbreviated newspaper notice and that the Commission will review the notice to ensure it complies with all regulatory requirements at the time the application for a general rate adjustment is filed. Finally, LG&E's abbreviated notice should indicate any pending cases that would impact the overall the overall gas rates.

IT IS THEREFORE ORDERED that LG&E/KU's Renewed Motion to Deviate as described herein is granted.

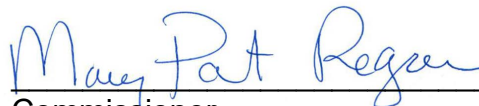
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PUBLIC SERVICE COMMISSION

Chairman



Vice Chairman



Commissioner

ATTEST:


Executive Director



*Honorable Allyson K Sturgeon
Vice President and Deputy General Counsel-
LG&E and KU Energy LLC
220 West Main Street
Louisville, KY 40202

*Honorable Lindsey W Ingram, III
Attorney at Law
STOLL KEENON OGDEN PLLC
300 West Vine Street
Suite 2100
Lexington, KY 40507-1801

*Robert Conroy
Vice President, State Regulation and Rates
LG&E and KU Energy LLC
220 West Main Street
Louisville, KY 40202

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