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Mark David Goss
Chairman

John W. Clay
Vice Chairman

Caroline Pitt Clark
Commissioner

November 29, 2007

RE: Case No. 2007-00410

We enclose one attested copy of the Commission's Order in the above case.

Sincerely,

A handwritten signature in black ink, appearing to read "Beth O'Donnell".

Beth O'Donnell
Executive Director

BOD/tw
Enclosure



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COMMONWEALTH OF KENTUCKY
BEFORE THE PUBLIC SERVICE COMMISSION

In the Matter of:

APPLICATION OF LOUISVILLE GAS)
AND ELECTRIC COMPANY FOR) CASE NO. 2007-00410
APPROVAL OF A REVISED COLLECTION)
CYCLE FOR PAYMENT OF BILLS)

O R D E R

On November 13, 2007, AARP filed a petition requesting full intervention. AARP states that it is a nonprofit, nonpartisan membership organization “dedicated to making life better for people 50 and older”; that it has almost half a million members in Kentucky, including a cross-section of the consumers served by the Louisville Gas and Electric Company (“LG&E”); and that, since many of its Kentucky members live on fixed or limited incomes, they have a direct interest in energy rates.

In support of its request to intervene, AARP states that LG&E’s proposal to reduce the time for customers to pay their bills “may have a significant impact on AARP members’ understanding of the new tariff regarding the timing of the rendition of payments for [LG&E] bills.” In addition, AARP states that LG&E’s proposal may affect the ability of AARP’s members to pay their LG&E bills.

On November 16, 2007, LG&E filed a response in opposition to AARP’s petition, arguing that the interests of residential ratepayers aged 50 and over are fully represented by the Attorney General’s Office (“AG”), which has already been granted full intervention. LG&E states that the interest of the residential customers represented

by AARP is indistinguishable from the interest of LG&E's residential customers generally and, therefore, AARP lacks the special interest necessary to justify intervention under 807 KAR 5:001, Section 3(8)(b). LG&E further states that the only person having a statutory right to intervene in Commission cases is the AG, who is charged under KRS 367.150(8)(a) with representing "consumers' interests," and that includes the interest of residential consumers. Since the AG has already been granted intervention, LG&E claims that granting AARP intervention would be duplicative and could possibly unduly lengthen the proceeding.

LG&E also claims that AARP has not justified its request for intervention under the alternative grounds in 807 KAR 5:001, Section 3(8)(b), which requires a showing of a likelihood of presenting issues or developing facts that assist the Commission in fully considering the matter without unduly complicating or disrupting the proceedings. LG&E argues that AARP has not shown that it can satisfy the requirements to qualify as an expert witness, and that the interests that AARP does have are indistinguishable from those that are being represented by the AG. Finally, LG&E requests that the comments filed by AARP on November 15, 2007 be accepted as public comments.

On November 16, 2007, the AG filed a response, which he designated as a motion, in support of AARP's petition to intervene. The AG states that while his office is charged by statute to intervene in Commission cases, the Commission has the discretion to allow other entities to intervene. Here, the AG asserts that AARP has a special interest "with its focus exclusively upon the representation of retired persons," as contrasted to the entire cross-section of consumers who are represented by the AG.

Finally, the AG states a belief that AARP is likely to present issues and develop facts that would assist the Commission in this case.

Based on the AARP petition and the responses thereto, the Commission finds that AARP has not adequately shown that the interests of the residential consumers that it represents are distinguishable from the interests of the entire body of residential consumers. Although the AG refers to AARP as having a special interest by representing retired persons, AARP's petition states that it represents people aged 50 and over, irrespective of whether they are retired or not. Thus, AARP's representation is not limited to those residential consumers who are retired or to those on fixed or limited incomes. Rather, AARP's representation is limited to all residential consumers aged 50 and over. Since there has been no showing that LG&E's residential customers aged 50 and over have an interest in their utility bills that is significantly different from the interest of those customers under age 50, we are unable to find that AARP has a special interest in this proceeding that is not already adequately represented by the AG.

Further, the Commission finds that AARP's petition does not disclose any expertise in the field of utility rate-making, nor does it state sufficient facts to support a finding that it is likely to present issues or develop facts that will assist us in fully considering the issues in this case. Therefore, AARP's petition to intervene should be denied, but the comments it filed will be accepted as public comments.¹

¹ By focusing on the merits of AARP's petition, the Commission has reached certain preliminary issues, such as the identification of specific LG&E customers being represented by AARP, the specific authority of AARP to seek intervention on their behalf, and the need for AARP to be represented by legal counsel, which may also require the petition to be denied.


IT IS THEREFORE ORDERED that AARP's petition to intervene is denied and the comments it filed on November 15, 2007 shall be accepted as public comments.

Done at Frankfort, Kentucky, this 29th day of November, 2007.

By the Commission

Commissioner Clark Abstains.

ATTEST:



Executive Director