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August 27, 2008

RECEIVED

AUG 28 2008

PUBLIC SERVICE
COMMISSION

VIA HAND DELIVERY

Stephanie L. Stumbo
Executive Director
Kentucky Public Service Commission
211 Sower Boulevard
Frankfort, Kentucky 40601

RE: Application of Kentucky Utilities Company for an Adjustment of Base Rates
Case No. 2008-00251

Application of Kentucky Utilities Company to File Depreciation Study
Case No. 2007-00565

Application of Louisville Gas and Electric Company for an Adjustment of Its Electric
and Gas Base Rates
Case No. 08-00252

Application of Louisville Gas and Electric Company to File Depreciation Study
Case No. 2007-00564

Dear Ms. Stumbo:

Enclosed please find and accept for filing four originals and ten copies of Kentucky Utilities Company's and Louisville Gas and Electric Company's Sur-Reply to Reply to the Response to the Petition to Intervene of Geoffrey M. Young in the above-referenced matters. Please confirm your receipt of this filing by placing the stamp of your Office with the date received on the enclosed additional copies and return them to me in the enclosed self-addressed stamped envelope.

Should you have any questions please contact me at your convenience.

Yours very truly,

W. Duncan Crosby III

WDC:ec

Enclosures

cc: Parties of Record

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COMMONWEALTH OF KENTUCKY
BEFORE THE PUBLIC SERVICE COMMISSION

In the Matter of:

APPLICATION OF KENTUCKY)	
UTILITIES COMPANY FOR AN)	CASE NO. 2008-00251
ADJUSTMENT OF BASE RATES)	

In the Matter of:

APPLICATION OF KENTUCKY)	
UTILITIES COMPANY TO FILE)	CASE NO. 2007-00565
DEPRECIATION STUDY)	

In the Matter of:

APPLICATION OF LOUISVILLE GAS)	
AND ELECTRIC COMPANY FOR AN)	CASE NO. 2008-00252
ADJUSTMENT OF ITS ELECTRIC)	
AND GAS BASE RATES)	

In the Matter of:

APPLICATION OF LOUISVILLE GAS)	
AND ELECTRIC COMPANY TO FILE)	CASE NO. 2007-00564
DEPRECIATION STUDY)	

**SUR-REPLY OF LOUISVILLE GAS AND ELECTRIC COMPANY
AND KENTUCKY UTILITIES COMPANY TO REPLY TO THE RESPONSE TO THE
THE PETITION TO INTERVENE OF GEOFFREY M. YOUNG**

Louisville Gas and Electric Company (“LG&E”) and Kentucky Utilities Company (“KU”) (collectively “LG&E/KU” or the “Companies”) respectfully file this sur-reply to the Reply of Mr. Young in support of his petition for intervention and for their sur-reply, submit the following three brief points:

1. Mr. Young’s testimony in previous Commission cases demonstrates that he lacks the education and professional training to testify as an expert witness on matters that are the

subject of the Commission's jurisdiction. The participation of such lay persons as an intervener, especially on a *pro se* basis, in previous cases has proven to be problematic at best.¹

2. Mr. Young's Reply fails to show how his interest as a customer is substantially different from the interest of all other customers. Though Mr. Young's interests as an environmentalist may be different than those of other customers, his environmental concerns are not jurisdictional to this Commission; indeed, as the Commission stated in its recent Order denying Mr. Young rehearing of the Commission's Order denying him intervention in the Companies' Integrated Resource Plan proceeding, "[T]here is a distinction between assessing the economic impact of complying with the Clean Air Act on a utility's resource assessment, which the [intervention] regulation requires, and examining the environmental impacts of pollution from a utility's generation resources on the environment, which the regulation does not require."² Therefore, Mr. Young's interest in this proceeding does not rise to the level of a "special interest" necessary to grant intervention.

3. To the extent Mr. Young, as a customer of KU, desires to express his beliefs and opinion on KU's application for a change in base rates, he may do so by either submitting his public comments in writing to the Commission or appearing at the public portion of the hearing in this case and expressing his views in person. This should provide him a complete opportunity to express his views and ideas on the environment.

¹ *In the Matter of: Joint Application of Louisville Gas and Electric Company, Association of Community Ministries, Inc., People Organized and Working for Energy Reform, and Kentucky Association for Community Action, Inc. for the Establishment of a Home Energy Assistance Program*, Case No. 2007-00337, Order, p. 7 (September 14, 2007) ("The Commission notes that Mr. Madison has been denied full intervention in three prior cases based upon the finding that he lacks the education and professional training to testify as an expert witness. To date, Mr. Madison has not sufficiently established that he possesses the educational and professional background to intervene as an expert witness in this matter.")

² *In the Matter of: The 2008 Joint Integrated Resource Plan of Louisville Gas and Electric Company and Kentucky Utilities Company*, Case No. 2008-00148, Order at 5-6 (August 20, 2008).

For these reasons, the Companies respectfully request that the Commission deny in these proceedings the Petitions to Intervene of Geoffrey M. Young.

Dated: August 27, 2008

Respectfully submitted,



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CERTIFICATE OF SERVICE

The undersigned hereby certifies that a true and correct copy of the foregoing was served on the following persons on the 27th day of August 2008, by United States mail, postage prepaid:

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