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June 30, 2011

RECEIVED

JUN 30 2011

PUBLIC SERVICE  
COMMISSION

**VIA HAND DELIVERY**

Jeff DeRouen  
Executive Director  
Kentucky Public Service Commission  
211 Sower Boulevard  
Frankfort, KY 40601

**RE: Application of Kentucky Utilities Company for Certificates of Public Convenience and Necessity and Approval of its 2011 Compliance Plan for Recovery by Environmental Surcharge**  
**Case No. 2011-00161**

Dear Mr. DeRouen:

Enclosed please find and accept for filing the original and ten copies of the Response of Kentucky Utilities Company to the Motion to Intervene of Frances D. Farris in the above-referenced matter.

Should you have any questions please do not hesitate to contact me at your convenience.

Sincerely,

Molly M. Stephens  
Paralegal

Enclosures  
cc: Parties of Record

400001.139563/3975208.1

**COMMONWEALTH OF KENTUCKY**  
**BEFORE THE PUBLIC SERVICE COMMISSION**

RECEIVED

JUN 30 2011

PUBLIC SERVICE  
COMMISSION

**In the Matter of:**

**APPLICATION OF KENTUCKY UTILITIES )**  
**COMPANY FOR CERTIFICATES OF )**  
**PUBLIC CONVENIENCE AND NECESSITY ) CASE NO. 2011-00161**  
**AND APPROVAL OF ITS 2011 COMPLIANCE )**  
**PLAN FOR RECOVERY BY )**  
**ENVIRONMENTAL SURCHARGE )**

**RESPONSE OF KENTUCKY UTILITIES COMPANY TO THE MOTION TO**  
**INTERVENE OF FRANCES D. FARRIS**

Kentucky Utilities Company (“KU”) respectfully requests the Commission deny the renewed motion to intervene of Frances D. Farris in this proceeding. Ms. Farris’ motion should be denied for three reasons: (1) the renewed motion does not state a special interest in the proceeding that is not already represented by the Attorney General; (2) the renewed motion fails to identify any issues or development of facts that will assist the Commission in the resolution of this matter; and (3) Ms. Farris’ intervention would unduly complicate and disrupt the proceeding. As Ms. Farris fails to satisfy any of the requirements for intervention under 807 KAR 5:001 § 3(8), KU respectfully requests that the Commission deny the renewed motion to intervene of Frances D. Farris in this proceeding. KU incorporates by reference its Response filed on June 20, 2011.

**I. The Commission Should Deny Ms. Farris’ Motion to Intervene Because Ms. Farris Does Not Have a Special Interest in this Proceeding.**

The Commission will grant requests for permissive intervention “only upon a determination that the criteria set forth in 807 KAR 5:001, Section 3(8), have been satisfied.”<sup>1</sup> Under the regulation, permissive intervention will only be granted if the person “has a special

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<sup>1</sup> *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 (July 18, 2008).

interest in the proceeding which is not otherwise adequately represented” or that granting full intervention “is likely to present issues or to develop facts that assist the commission in fully considering the matter without unduly complicating or disrupting the proceedings.”<sup>2</sup>

Ms. Farris initially filed a motion to intervene in this proceeding on June 13, 2011. The motion was a one-page letter addressed to the Commission that simply stated that she requested “leave to intervene in any rate increases” for which KU had requested the Commission’s approval.<sup>3</sup> KU responded to Ms. Farris’ motion on June 20, 2011. KU explained that Ms. Farris’ only interest in this proceeding is that of a customer and that the Commission has repeatedly held that a customer’s interest as a ratepayer is not a special interest warranting intervention. KU further explained that the Attorney General would represent Ms. Farris’ interests in this proceeding.

Ms. Farris filed another motion to intervene on June 22, 2011. The renewed motion to intervene reiterates that Ms. Farris’ only interest in this proceeding is that of a customer, as she states that “as a ratepayer” she has “not been adequately represented by the Commission.”<sup>4</sup> Ms. Farris then stated her objection to the Commission’s long-standing precedent that a customer’s status as a ratepayer does not confer upon each customer a special interest that satisfies the regulatory standards for intervention.<sup>5</sup> It is even clearer in the renewed motion than in the first motion that Ms. Farris’ stated interest in this proceeding is that of a ratepayer. KU respectfully requests that the Commission deny Ms. Farris’ motions to intervene because her interest is not a

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<sup>2</sup> 807 KAR 5:001 § 3(8)(b).

<sup>3</sup> See Farris Motion of June 13, 2011.

<sup>4</sup> See Farris Motion of June 22, 2011 at 2.

<sup>5</sup> *Id.*

special interest warranting intervention because the Attorney General will represent her interests in this proceeding.<sup>6</sup>

**II. The Commission Should Deny Ms. Farris' Motion to Intervene Because Ms. Farris Has Not Demonstrated that She Will Present Issues or Develop Facts that Would Assist the Commission.**

In Ms. Farris' first motion to intervene, she did not explain how she will present issues or develop facts that would assist the Commission.<sup>7</sup> In her renewed motion, she states that she is a bookkeeper and that her experience in bookkeeping is related to the cost recovery principles in ECR proceedings.<sup>8</sup> The Commission has previously rejected motions to intervene in ECR proceedings where the proposed intervenor fails to provide any "background, knowledge, experience, or training" on the issues of: "(1) the need for, and absence of wasteful duplication, from emission control equipment and facilities; and (2) cost recovery by surcharge of utility expenses and facilities."<sup>9</sup> Thus, Ms. Farris' background in bookkeeping is insufficient to demonstrate that she possesses the ability to present issues or develop facts that would assist the Commission. KU respectfully requests that the Commission deny Ms. Farris' motions to intervene.

**III. The Commission Should Deny Ms. Farris' Motion to Intervene Because Ms. Farris' Intervention Will Unduly Complicate and Disrupt the Proceeding.**

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<sup>6</sup> *In the Matter of: Application of Kentucky Utilities Company to File Depreciation Study* (Case No. 2007-00565) and *In the Matter of Application of Kentucky Utilities Company for an Adjustment of Electric Base Rates* (Case No. 2008-00251) Order, December 5, 2008. *In the Matter of: Application of Kentucky Utilities Company to Amortize, by Means of Temporary Decreases in Rates, Net Fuel Cost Savings Recovered in Coal Contract Litigation* (Case No. 93-113) Order, December 7, 1993; *In the Matter of: Application of Water Service Corporation of Kentucky for an Adjustment of Rates* (Case No. 2008-563) Order, May 6, 2009; *In the Matter of: An Examination by the Kentucky Public Service Commission of the Environmental Surcharge Mechanism of Louisville Gas and Electric Company for the Two-Year Billing Period Ending April 30, 2003* (Case No. 2003-00236) Order, October 8, 2003.

<sup>7</sup> See Farris Motion of June 13, 2011.

<sup>8</sup> See Farris Motion of June 22, 2011 at 2.

<sup>9</sup> *In the Matter of: The Application of Kentucky Utilities Company for a Certificate of Public Convenience and Necessity and Approval of its 2009 Environmental Compliance Plan for Recovery by Environmental Surcharge* (Case No. 2009-00197) and *In the Matter of: The Application of Louisville Gas and Electric Company for a Certificate of Public Convenience and Necessity and Approval of its 2009 Environmental Compliance Plan for Recovery by Environmental Surcharge* (Case No. 2009-00197) Order, October 30, 2009.

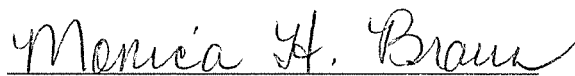
Even if Ms. Farris could demonstrate that she would present issues or develop facts that would assist the Commission in this proceeding, her intervention would unduly complicate and disrupt this proceeding in contravention of 807 KAR 5:001 § 3(8). As explained, Ms. Farris is not an attorney and is not represented by an attorney. Her self-representation as an intervenor could result in undue complication and disruption of these proceedings. Ms. Farris' attempts to intervene in this proceeding demonstrate that granting full intervention will unduly complicate and disrupt the proceedings, as she has filed a second motion to intervene instead of simply waiting for the Commission's decision on her first motion. This demonstrates that Ms. Farris is either unfamiliar with the Commission's procedures or is unwilling to comply with the same. For these reasons, KU respectfully requests that the Commission deny Ms. Farris' motions to intervene.

**IV. Conclusion**

As Ms. Farris has failed to present any ground upon which the Commission can grant permissive intervention, the Commission should deny Ms. Farris' motions to intervene. Ms. Farris may provide oral comments at the hearing on this matter or provide further written comments that may be filed in the record. Neither of Ms. Farris' motions to intervene satisfy the regulatory standards for intervention and as such, KU respectfully requests that the Commission deny the motions to intervene of Frances D. Farris.

Dated: June 30, 2011

Respectfully submitted,



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Counsel for Kentucky Utilities Company

**CERTIFICATE OF SERVICE**

I hereby certify that a true copy of the foregoing Response was served via U.S. mail, first-class, postage prepaid, this 30<sup>th</sup> day of June 2011 upon the following persons:

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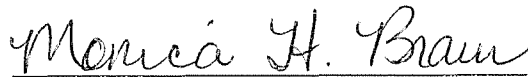
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