

COMMONWEALTH OF KENTUCKY
BEFORE THE PUBLIC SERVICE COMMISSION

RECEIVED

JUN 27 2008

PUBLIC SERVICE
COMMISSION

In the Matter of:

THE 2008 JOINT INTEGRATED RESOURCE)
PLAN OF LOUISVILLE GAS AND) CASE NO.
ELECTRIC COMPANY AND KENTUCKY) 2008-00148
UTILITIES COMPANY)

FIRST PUBLIC COMMENT
OF GEOFFREY M. YOUNG

Because the Commission has not yet issued an Order granting my petition for full intervention in the above-captioned proceeding, I am hereby submitting a public comment as a non-intervenor. Although this comment includes some questions that I believe are pertinent to LG&E/KU's joint IRP, I am not "serving" these questions on LG&E/KU at this time. I realize that LG&E/KU is under no obligation to answer them. If the Commission grants my intervention petition within the next few days, it would clarify matters if the Commission would please note whether it is requiring LG&E/KU to answer the attached questions by July 10, 2008, pursuant to the Procedural Schedule published on May 13, 2008. I am submitting these comments at this time in order to minimize the chances that this proceeding will be delayed to any extent.

My sole intention is to help the Commission Staff assess LG&E/KU's joint IRP pursuant to the provisions of 807 KAR 5:058 as they currently exist. The 2008 IRP has many positive aspects, and at the appropriate time during the course of these proceedings, I would like to endorse those positive aspects, ask some clarifying questions, and make some constructive suggestions that LG&E/KU might wish to consider in the future. I see no valid reason why LG&E/KU should be opposed to my intervention. I trust that the Commission will overrule the objections filed on June 19, 2008 by LG&E/KU's Legal Department to my petition for full intervention and the petition of CDH Preserve, LLC, Dennis Cunningham, Cathy Cunningham, and Elizabeth R. Bennett. If the Commission grants our full intervention, I would be happy to work with the other environmentalists on a single team, represented by counsel, from that point forward.

Questions that the Commission might or might not require LG&E/KU to answer include the following:

1. Re the economic comparison of supply-side options, please refer to page 8-15, Table 8.(2)(c) and page 8-120, Table 8.(5)(c)-2. The capacity of most of these options is listed (in MW), as is the capital cost of each, either in dollars per kW or dollars per kW-year.

a. Does LG&E/KU award a capital cost reduction bonus to those options that are smaller in size, more modular, and faster to construct; or apply a cost penalty to those options that are very large and “lumpy,” for example, a 750-MW supercritical pulverized coal unit? Please explain the response.

b. Does LG&E/KU award a capital cost reduction bonus to those options that use renewable energy sources and cause relatively little environmental damage? Please explain the response.

2. Has LG&E/KU estimated the present value of revenue requirements (PVRR) for scenarios in which the Trimble County 2 plant is delayed somewhat and comes on-line in 2011, 2012, 2013, or 2014? If so, please provide the results and compare the PVRR to the base case scenario recommended in the IRP.

3. Does LG&E/KU have a program to help its twelve municipal customers in Kentucky manage their loads, save energy, and reduce their energy bills? If so, please describe the program. Please explain the response.

4. Page 6-25 in Volume I notes that DSM programs for industrial customers were not considered.

a. In view of the fact that Kentucky is a relatively industrialized state, why isn't LG&E/KU developing DSM programs for this customer class?

b. If the opt-out provision of KRS 278.285(3) is a factor that is impeding the development of industrial DSM programs, does LG&E/KU see any way of working around or overcoming the obstacles?

5. Please describe the DSM Advisory Group. How many organizations outside LG&E/KU are represented? What process does the group use to make decisions, if any? Please provide copies of the minutes of the last few meetings.

6. The informal “Kentucky Energy Efficiency Working Group” (KEEWG) has been meeting every couple of months since 2005, with one or more representatives from LG&E/KU present at virtually every meeting. Has LG&E/KU's DSM Team made use of any of the information that has been presented there about successful DSM programs operating in other parts of the country? If so, please describe how this information has been used.

7. To my knowledge, there are presently no facilities interconnected to LG&E/KU's system that use combined heat and power (CHP) technologies, also known as cogeneration or trigeneration (combined heating, cooling and power).

a. If that understanding is incorrect, please describe the existing CHP facilities.

b. Does LG&E/KU have any plans to promote cost-effective CHP during the next 15 years in order to help reduce the load on its own generating units? Please explain the response.

c. Does LG&E/KU consider CHP to be a supply-side or demand-side option? In other words, which department would develop plans for the promotion of cost-effective CHP at customers' facilities?

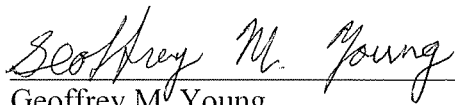
8. Why is the whole transmission section confidential? If I recall correctly, the whole section was not confidential in the 2002 IRP.

9. Is LG&E/KU making use of local integrated resource planning (LIRP), also known as geographically targeted resource acquisition, to reduce the costs of transmission and distribution upgrades?

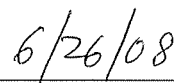
10. Please refer to Exhibit DSM-2, the qualitative screening criteria for potential DSM technologies. How much data about costs, customer preferences, and technical reliability is available to the people who assign ratings to the technologies? In other words, to what extent are the team members' subjective ratings supported by empirical data?

11. Please refer to Exhibit DSM-3. Is a program, "Energy Star or Equivalent for New Homes" absent from the list because LG&E/KU is already implementing such a program?

Signed,



Geoffrey M. Young
(non-intervenor at this time)


Date

CERTIFICATE OF SERVICE

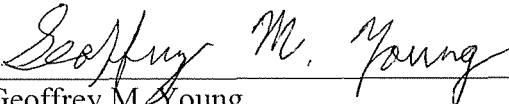
I hereby certify that a signed original of the foregoing public comment was mailed to the office of Stephanie Stumbo, Executive Director of the Kentucky Public Service Commission, 211 Sower Boulevard, Frankfort, KY 40601, and that a Word file of this comment was emailed to the Commission and the following parties of record on this 26th day of June, 2008.

Rick E. Lovekamp
Manager, Regulatory Affairs
E.ON US Services, Inc.
220 West Main Street
Louisville, KY 40202

Honorable Dennis G. Howard II
Office of the Attorney General
Utility & Rate Intervention Division
1024 Capital Center Drive, Suite 200
Frankfort, KY 40601-8204

Honorable Michael L. Kurtz
Boehm, Kurtz & Lowry
36 East Seventh Street, Suite 1510
Cincinnati, OH 45202

Signed,



Geoffrey M. Young

(non-intervenor at this time)

6/26/08
Date