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PUBLIC SERVICE
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October 12, 2011

Docket Clerk
Public Service Commission
211 Sower Boulevard
Frankfort, Kentucky 40601

**Re: In the Matter Of: Application of Louisville Gas and Electric Company for
Certificates of Public Convenience and Necessity and Approval of its 2011
Compliance Plan For Recovery By Environmental Surcharge**
Docket No. 2011-00162

Dear Docket Clerk:

Please find for filing the original and fifteen (15) copies of the Response of Metropolitan Housing Coalition to the First Set of Data Requests from Commission Staff in the above-captioned case. All parties have been served. Thanks very much.

Cordially,


Tom FitzGerald
Counsel for MHC

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PUBLIC SERVICE
COMMISSION

COMMONWEALTH OF KENTUCKY
BEFORE THE PUBLIC SERVICE COMMISSION

In the Matter of:

APPLICATION OF LOUISVILLE GAS AND ELECTRIC)	
COMPANY FOR CERTIFICATES OF PUBLIC)	
CONVENIENCE AND NECESSITY AND APPROVAL)	CASE NO.
OF ITS 2011 COMPLIANCE PLAN FOR RECOVERY)	2011-00162
BY ENVIRONMENTAL SURCHARGE)	

METROPOLITAN HOUSING COALITIONS' RESPONSE TO COMMISSION
STAFF'S FIRST REQUEST FOR INFORMATION

October 12, 2011

Louisville Gas And Electric Company
Case No. 2011-00162

Response of Metropolitan Housing Coalition to
Commission Staff's First Request for Information

Responding Witness: Cathy Hinko, Director

Question 1:

Refer to the Direct Testimony of Cathy Hinko at page 6. Beginning at line 13, the testimony states that MHC requests that the Commission "urge LG&E/KU to explore the implementation of an environmental surcharge fee waiver or reduction for qualified low-income households and/or a credit for those households to offset rate increases." Does Ms. Hinko believe that the Commission has the authority under its statutes to approve such a fee waiver, reduction, or credit for qualified low-income households? If yes, provide the statute citation.

Answer 1:

The Direct Testimony urged the Commission to "explore the implementation" of a fee waiver or other reduction of payments, or a credit, to offset increased costs associated with the environment surcharge.

The Commission has previously approved the imposition of a meter charge of fifteen (15) cents in order to fund the All Seasons Assurance Plan, which MHC believes was not a DSM program, but rather a "Percentage of Income Program" for low-income ratepayers. Authority exists to make payments affordable to low-income households through some mechanism of price support, under the Commission's general power pursuant to KRS 278.030 to assure that the rates recovered by utilities for their services rendered are, in addition to being fair, are "just" and are "reasonable." The

Louisville Gas And Electric Company
Case No. 2011-00162

Response of Metropolitan Housing Coalition to
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Responding Witness: Cathy Hinko, Director

concept of affordability, and ability to pay for essential public services, certainly falls within the concept of "reasonableness" and of "fairness" and "justice."

Additionally, KRS 278.030(3) grants utilities the authority to create "suitable and reasonable classifications of its services, patrons and rates." According to that subsection, "[t]he classifications may, in any proper case, take into account the nature of the use, the quality used, the quantity used, the time when used, the purpose for which used, and any other reasonable consideration." Consideration of the low-income status of certain ratepayers, and establishment of mechanisms to moderate the impact of rising utility rates on the most vulnerable of ratepayers in order to minimize the "poverty costs" associated with utility disconnection, and homelessness, fall squarely within the ambit of "reasonable considerations" that MHC believes the Commission could require and approve.

To the extent that the Commission does not believe that adequate statutory authority exists, MHC would urge the Commission to seek that authority in order to address the deepening crisis of utility service access and affordability in the 48th poorest state in the union.

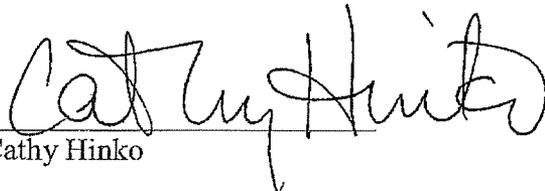
COMMONWEALTH OF KENTUCKY
BEFORE THE PUBLIC SERVICE COMMISSION

In the Matter of:

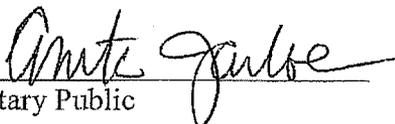
APPLICATION OF LOUISVILLE GAS AND)
ELECTRIC COMPANY FOR CERTIFICATES OF) CASE NO.
PUBLIC CONVENIENCE AND NECESSITY AND) 2011-00162
APPROVAL OF ITS 2011 COMPLIANCE PLAN)
FOR RECOVERY BY ENVIRONMENTAL)
SURCHARGE)

AFFIDAVIT

I hereby affirm that this Response to Commission Staff's First Request for Information To Metropolitan Housing Coalition in the matter of the Application of Louisville Gas and Electric Company For Certificates of Public Convenience and Necessity and Approval of Its 2011 Compliance Plan For recovery By Environmental Surcharge, Case NO. 2011-00162, is true and accurate to the best of my information and belief.


Cathy Hinko

Subscribed and sworn to before me, a notary public in the Commonwealth of Kentucky, by Cathy Hinko, this 12^e th day of October, 2011.


Notary Public

My commission expires _____ **Notary Public, State at Large, KY**
~~My commission expires May 2, 2012~~

Respectfully submitted,



Tom FitzGerald
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Counsel for Metropolitan Housing Coalition

CERTIFICATE OF SERVICE

I certify that an original and fifteen (15) copies of Metropolitan Housing Coalition's Response To Commission Staff's First Request For Information was mailed for filing with the Docket Clerk, Public Service Commission, 211 Sower Boulevard, Frankfort, Kentucky 40601 and that a true and accurate copy of the foregoing was sent electronically and mailed via first class U.S. Mail, postage prepaid, this 12th day of October, 2011, to the following:

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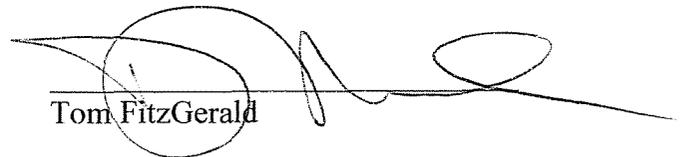
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