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COMMISSION**

2000 PNC PLAZA
500 WEST JEFFERSON STREET
LOUISVILLE, KY 40202-2828
MAIN: (502) 333-6000
FAX: (502) 333-6099

KENDRICK R. RIGGS
DIRECT DIAL: (502) 560-4222
DIRECT FAX: (502) 627-8722
kendrick.riggs@skofirm.com

November 18, 2011

VIA HAND DELIVERY

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

RE: 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

Dear Mr. DeRouen:

Enclosed please find and accept for filing an original and fifteen copies of Louisville Gas and Electric Company's Response to the Motion to Intervene and For Hearing of Daniel Cobble in the above-referenced matter. 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 via our office courier.

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

Yours very truly,

Kendrick R. Riggs

KRR:ec
Enclosures
cc: Parties of Record

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COMMONWEALTH OF KENTUCKY
BEFORE THE PUBLIC SERVICE COMMISSION

In the Matter of:

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

**RESPONSE OF LOUISVILLE GAS AND ELECTRIC COMPANY
TO THE MOTION TO INTERVENE AND FOR HEARING OF DANIEL COBBLE**

Louisville Gas and Electric Company (“LG&E” or “Company”) respectfully requests the Commission deny the motions to intervene and for hearing of Daniel Cobble in this proceeding. Mr. Cobble’s motion for intervention should be denied for three reasons: (1) the motion does not state a special interest in the proceeding that is not already represented by the Attorney General; (2) the motion fails to identify any issues or development of facts that will assist the Commission in the resolution of this matter; and (3) Mr. Cobble’s intervention would unduly complicate and disrupt the proceeding because it is untimely. As Mr. Cobble fails to satisfy any of the requirements for intervention under 807 KAR 5:001 § 3(8), LG&E respectfully requests that the Commission deny the motion to intervene of Daniel Cobble in this proceeding.

I. The Commission Should Deny Mr. Cobble’s Motion to Intervene Because Mr. Cobble 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.”¹ Under the regulation, permissive intervention will only be granted if the person “has a special interest in the proceeding which is not otherwise adequately represented” or that granting full

¹ *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).

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.”² Mr. Cobble’s motion does not articulate whether he seeks intervention because he has a special interest in the proceeding which is not otherwise adequately represented, or whether he seeks intervention to present issues or to develop facts that would assist the commission in fully considering the matter.

Mr. Cobble’s motion states that LG&E’s proposed rate increase will materially affect Mr. Cobble because he is a ratepayer. See Cobble Motion, p. 2. The Motion also states that Mr. Cobble seeks intervention to acquire information regarding LG&E’s financial condition. Id. To the extent Mr. Cobble seeks intervention because he is a ratepayer, the Commission has repeatedly held that a ratepayer’s general interest as a customer is not a special interest warranting intervention.³ Instead, the Attorney General has a statutory right, pursuant to KRS 367.150(8)(b), to represent customers’ interests in ECR proceedings such as this one. The Attorney General moved to intervene in this proceeding on May 25, 2011. The Commission granted the motion to intervene on June 3, 2011. The Attorney General has significant experience in representing ratepayers’ interests in ECR proceedings, including prior LG&E cases. Mr. Cobble thus does not have a special interest warranting intervention and his motion should be denied.

² 807 KAR 5:001 § 3(8)(b).

³ *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.

II. The Commission Should Deny Mr. Cobble's Motion to Intervene Because Mr. Cobble Has Not Demonstrated that He Will Present Issues or Develop Facts that Would Assist the Commission.

Mr. Cobble's motion to intervene fails to demonstrate that he will present issues or develop facts that would assist the Commission in fully considering this matter without unduly complicating or disrupting the proceeding.⁴ Mr. Cobble does not identify any expertise in ECR proceedings, or in the principles of ratemaking and cost recovery. Because Mr. Cobble has failed to identify how he will present issues or develop facts that would assist the Commission in fully considering this matter, his motion should be denied.

III. The Commission Should Deny Mr. Cobble's Motion to Intervene Because Mr. Cobble's Intervention Will Unduly Complicate and Disrupt the Proceeding Because It Is Untimely.

Even if Mr. Cobble could demonstrate that he would present issues or develop facts that would assist the Commission in this proceeding, his intervention would unduly complicate and disrupt this proceeding in contravention of 807 KAR 5:001 § 3(8) because his motion is untimely. Mr. Cobble appears to have mailed his motion on November 9, 2011. On that day, a hearing was convened in this matter. Notice of the hearing was published in accordance with the applicable Commission regulation and Kentucky statute. As a hearing has already been held in this matter, Mr. Cobble's motion to intervene is untimely.

⁴ 807 KAR 5:001 § 3(8)(b).

IV. The Commission Should Deny Mr. Cobble's Motion for Hearing.

Following the publication of legal notice, the Commission held a hearing on November 9 and 10, 2011 in this proceeding. In addition, on September 1, 6, 7 and 8, 2011, the Commission held four public meetings to receive comments on LG&E's application. The case now stands submitted for decision. The Commission should deny Mr. Cobble's motion for hearing as moot.

V. Conclusion

As Mr. Cobble has failed to present any ground upon which the Commission can grant permissive intervention, the Commission should deny his motion to intervene. Mr. Cobble's interest in this proceeding as a customer is already represented by the Attorney General. Also, the motion does not evince any intent to develop facts or issues that will assist the Commission in the resolution of this matter. Finally, Mr. Cobble's intervention will unduly complicate and disrupt the proceeding because it is untimely. Therefore, LG&E respectfully requests that the Commission deny Daniel Cobble's motion to intervene and motion for hearing in this proceeding.

Dated: November 18, 2011

Respectfully submitted,



Kendrick R. Riggs
Stoll Keenon Ogden PLLC
2000 PNC Plaza
500 West Jefferson Street
Louisville, Kentucky 40202-2828
Telephone: (502) 333-6000

Counsel for Louisville Gas and Electric Company

CERTIFICATE OF SERVICE

I hereby certify that a copy of the above and foregoing Response was served upon the following persons by first class United States mail, postage prepaid, on this 18th day of November 2011:

Dennis G. Howard II, Assistant Director
Lawrence W. Cook, Asst Attorney General
Office of the Attorney General
Office of Rate Intervention
1024 Capital Center Drive, Suite 200
Frankfort, KY 40601-8204

Scott E. Handley
Administrative Law Division
Office of the Staff Judge Advocate
50 Third Avenue, Room 215
Fort Knox, KY 40121-5000

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

Edward George Zuger III
Zuger Law Office PLLC
P.O. Box 728
Corbin, KY 40702

David C. Brown
Stites & Harbison PLLC
400 West Market Street, Suite 1800
Louisville, KY 40202-3352

Kristin Henry
Staff Attorney
Sierra Club
85 Second Street
San Francisco, CA 94105

Tom FitzGerald
Kentucky Resources Council
P.O. Box 1070
Frankfort, KY 40602

Shannon Fisk
Senior Attorney
Natural Resources Defense Council
2 N. Riverside Plaza, Suite 2250
Chicago, IL 60660

Robert A. Ganton
General Attorney - Regulatory Law
U. S. Army Legal Services Agency
9275 Gunston Road
ATTN: JALS-RL/IP
Fort Belvoir, VA 22060-5546

Joe F. Childers
Getty & Childers, PLLC
1900 Lexington Financial Center
250 W. Main Street
Lexington, KY 40507

Daniel Cobble
3401 Lesway Court, #12
Louisville, KY 40220



Counsel for Louisville Gas and Electric Company