

August 28, 2012

RECEIVED

AUG 30 2012

PUBLIC SERVICE  
COMMISSION

**VIA FIRST CLASS U.S. MAIL**

To: Mr. Jeff DeRoun  
Executive Director  
Public Service Commission  
211 Sower Boulevard  
Frankfort, KY 40601

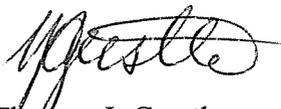
From: Thomas J. Gerstle  
2309 Clarkwood Road  
Louisville, KY 40207

RE: Application of Louisville Gas & Electric Company for an Adjustment of its Electric and Gas Rates, a Certificate of Public Convenience and Necessity, Approval of Ownership of Gas Service Lines and Risers, and a Gas Line Surcharge  
Case No. 2012-00222

Dr. Mr. DeRouen:

Attached to this transmittal letter is a rebuttal to the Louisville Gas & Electric Company's Sur-reply to Thomas Gerstle's Motion to Intervene in the referenced case. In accordance with Ordering Paragraph 10 of the Commission's June 22, 2012 Order in this case, I am filing a response to LG&E's Sur-reply objection to the Motion to Intervene with the Commission office today. Please note that I have not previously been provided electronic filing information, and am thus sending this rebuttal in paper medium only.

Sincerely,



Thomas J. Gerstle  
2309 Clarkwood Road  
Louisville, KY 40207  
(502) 365-5190

COMMONWEALTH OF KENTUCKY

BEFORE THE PUBLIC SERVICE COMMISSION

In the Matter of:

APPLICATION OF LOUISVILLE GAS AND  
ELECTRIC COMPANY FOR AN  
ADJUSTMENT OF ITS ELECTRIC AND GAS  
RATES, A CERTIFICATE OF PUBLIC  
CONVENIENCE AND NECESSITY  
APPROVAL OF OWNERSHIP OF GAS  
SERVICE LINES AND RISERS, AND A GAS  
LINE SURCHARGE.

RECEIVED

AUG 30 2012

PUBLIC SERVICE  
COMMISSION

Thomas J. Gerstle's rebuttal to:

**LOUISVILLE GAS AND ELECTRIC COMPANY'S SUR-REPLY IN OBJECTION TO  
THOMAS GERSTLE'S MOTION TO INTERVENE**

Thomas J. Gerstle respectfully requests that the Commission allow the Motion of Thomas Gerstle for Intervention in this case. Louisville Gas and Electric Company ("LG&E"), in its Sur-Reply dated August 22, 2012, misrepresents Mr. Gerstle's circumstances and thus his special interest which is not otherwise represented in this case.

**I. The Commission Should Allow Mr. Gerstle's Motion to Intervene Because Mr. Gerstle Does Have a Special Interest in this Proceeding that is Not Adequately Represented by the Attorney General.**

As Mr. Gerstle specifically does not wish to relinquish ownership rights to his gas line and riser because loss of control of these assets will jeopardize the safety, functionality and beauty of his personal residence. Personal property ownership rights are not rights that can or should be taken away, especially in the absence of violation of established governmental regulations or proven safety concerns. Contrary to LG&E's assertion in their objections to Mr. Gerstle's motion, their filing in this case clearly states that they intend to at some point take ownership of the gas service lines and risers and immediately begin to charge a rate "Gas Line Tracker" to recover the cost of said ownership, regardless of whether they replace these assets at Mr. Gerstle's residence. This act, if allowed by the Public Service Commission, would amount to a violation of Mr. Gerstle's property rights. Mr. Gerstle does not believe that the Attorney General will adequately represent his individual property rights in this matter.

**II. The Commission Should Allow Mr. Gerstle's Motion to Intervene Because Mr. Gerstle Has Unique Pertinent Knowledge and Skills and Will Present Issues and Develop Facts that Would Assist the Commission.**

LG&E purports that one must have special experience in ratemaking and technical components associated with same to develop facts and assist the Commission on this case. Ratemaking for ownership and maintenance of simple gas service lines and a riser to Mr. Gerstle's residence requires only a few important cost facts and a technical understanding of certain accounting concepts, all of which Mr. Gerstle has. It appears that LG&E would have the Commission think that ratemaking processes for ownership and maintenance of a few pieces of pipe and fittings are much too complex for someone of Mr. Gerstle's advanced education and professional experiences. This assertion is false, and Mr. Gerstle believes that the Commission should have the opportunity to consider his clear and concise analysis from the perspective of the property owner.

In addition, LG&E proposes to recover the costs of their gas leak mitigation program for its existing gas main replacement program in this Gas Line Tracker rate. Including gas main line replacement costs and returns in a service line and riser rate mechanism would overly complicate the ratemaking process and most assuredly result in overinflated costs to Mr. Gerstle over the long run. It appears to Mr. Gerstle that PPL Corp, new owner of LG&E, wishes to increase its profit opportunities by imposing the terms of this gas service line and riser ownership transfer program on unsuspecting residential utility customers. Hopefully the Public Service Commission will respect Mr. Gerstle's wishes and deny LG&E's request on this matter.

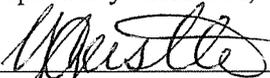
These facts demonstrate and establish that Mr. Gerstle has unique abilities and perspectives that should be heard by the Commission in preparation for their decisions in this case.

### **III. Conclusion**

Mr. Gerstle has demonstrated adequate grounds upon which the Commission can grant permissive intervention. His desire, unique competence and special interests as summarized in this rebuttal to LG&E's Sur-Reply to his motion serves as adequate basis for the Commission to accept his motion to intervene in this proceeding.

Dated: August 28, 2012

Respectfully submitted,

  
\_\_\_\_\_  
Thomas J. Gerstle  
2309 Clarkwood Road  
Louisville, KY 40207  
Telephone (502) 365-5190

Kendrick R. Riggs  
Stoll Keenon Ogden PLLC  
2000 PNC Plaza  
500 West Jefferson Street  
Louisville, KY 40202-2828  
Counsel for Louisville Gas and Electric Company

Allyson K. Sturgeon  
Senior Corporate Attorney  
LG&E and KU Energy LLC  
220 West Main Street  
Louisville, KY 40202

Robert M. Watt III  
Stoll Keenon Ogden, PLLC  
300 West Vine Street, Suite 2100  
Lexington, KY 40507-1801  
Counsel for Louisville Gas and Electric Company

**CERTIFICATE OF COMPLIANCE**

In accordance with Ordering Paragraph No. 10 of the Commission's June 22, 2012 Order in this case, this is to certify that this response is being filed with the Commission in paper medium, and not electronic form, since no electronic filing instructions were previously provided. Rebuttal to Objection was placed in the U.S. Mail, postage prepaid, on August 28, 2012 to be delivered to the Commission. A paper copy of the Rebuttal to Objection has also been sent via U.S. Mail to Kendrick Riggs (SKO-Louisville, KY), Allyson Sturgeon (LG&E), and Robert M. Watt III (SKO-Lexington, KY) on August 28, 2012.