

COMMONWEALTH OF KENTUCKY
BEFORE THE PUBLIC SERVICE COMMISSION

In the Matter of:

AN ADJUSTMENT OF THE GAS AND ELECTRIC)
RATES, TERMS, AND CONDITIONS OF) CASE NO. 2003-00433
LOUISVILLE GAS AND ELECTRIC COMPANY)

O R D E R

On January 5, 2004, the Kentucky Environmental and Public Protection Cabinet, Division of Energy (“KDOE”) filed a motion for full intervention. KDOE states that it operates under a statutory mandate to “develop and implement programs for the development, conservation, and utilization of energy in a manner to meet human needs while maintaining Kentucky’s economy at the highest feasible level.” KDOE further states that it intends to present issues and develop facts that will assist the Commission in fully considering the merits of this case, that it will not unduly complicate or disrupt the proceedings, and that it wants an opportunity to provide comments on the issues in this case.

Louisville Gas and Electric Company (“LG&E”) filed an objection to the intervention, claiming that this is a rate case and the issues to be decided relate to the level of rates for electricity or natural gas. LG&E asserts that KDOE has no interest in general utility rates and that this case does not concern the issues within KDOE’s mandate. LG&E urges full intervention be denied and suggests, as an alternative, limited intervention be granted. KDOE filed a reply, noting that a utility’s rate design is

typically a major issue in rate cases and that the structure and design of utility rates falls squarely within KDOE's mission.

Based on the motion and being otherwise sufficiently advised, the Commission finds that LG&E's application proposes significant changes in rate design. The design and structure of utility rates can impact customer usage which, in turn, impacts conservation and the efficient use of energy. Thus, KDOE's statutory mandate to develop programs relating to "conservation and utilization of energy" creates a special interest in rate design issues sufficient to justify its request for full intervention.

IT IS THEREFORE ORDERED that:

1. The request of KDOE to fully intervene is granted.
2. KDOE shall be entitled to the full rights of a party and shall be served with the Commission's Orders and with filed testimony, exhibits, pleadings, correspondence, and all other documents submitted by the parties after the date of this Order.
3. Should any intervenor file documents of any kind with the Commission in the course of these proceedings, a copy of said documents shall also be served upon all other parties of record.

Done at Frankfort, Kentucky, this 4th day of February, 2004.

By the Commission

ATTEST:


Executive Director