

**COMMONWEALTH OF KENTUCKY**  
**BEFORE THE PUBLIC SERVICE COMMISSION**

**In the Matter of:**

<b>APPLICATION OF KENTUCKY</b>	)	
<b>UTILITIES COMPANY FOR AN</b>	)	<b>CASE NO. 2012-00221</b>
<b>ADJUSTMENT OF ITS ELECTRIC</b>	)	
<b>RATES</b>	)	

**KENTUCKY UTILITIES COMPANY’S OBJECTION TO THE MOTION TO  
INTERVENE OF SCOTT COUNTY SCHOOLS**

Kentucky Utilities Company (“KU”) respectfully requests that the Commission deny the Motion to Intervene of Scott County Schools. Scott County Schools’ motion should be denied for three reasons: (1) the motion does not state a special interest in the proceeding that will not be adequately represented by the Attorney General and the Kentucky School Boards Association (“KSBA”); (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) Scott County Schools’ intervention could unduly complicate and disrupt the proceeding. Because Scott County Schools fail to satisfy any of the requirements for intervention under 807 KAR 5:001 § 3(8), KU respectfully requests that the Commission deny the Motion to Intervene of Scott County Schools.

**I. The Commission Should Deny Scott County Schools’ Motion to Intervene Because They Do 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.”<sup>1</sup> 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 intervention “is likely to present issues or to develop facts that assist the commission in fully

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<sup>1</sup> *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.

considering the matter without unduly complicating or disrupting the proceedings.”<sup>2</sup> Scott County Schools’ motion does not assert a special interest in this proceeding; rather, it notes that Scott County has built and renovated schools to take all-electric service, and that KU has proposed to increase the All-Electric Schools rate (“Rate AES”) in this proceeding, to which Scott County Schools takes exception. In sum, Scott County Schools’ claimed interest in this proceeding is an interest shared by every other KU customer taking service under Rate AES, and more broadly by all KU customers. The Commission has consistently held that a person’s status as a customer is not a special interest meriting full intervention.<sup>3</sup>

Instead, the Attorney General has a statutory right, pursuant to KRS 367.150(8)(b), to represent customers’ interests in proceedings such as this one. The Attorney General’s motion to intervene was granted on June 27, 2012. The Attorney General has significant expertise and years of experience in representing ratepayers’ interests in rate proceedings, including every prior KU rate case.<sup>4</sup> Because Scott County Schools’ only interest in this proceeding is a customer interest adequately represented by the Attorney General, they do not have a special interest in this case and their motion should be denied.

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<sup>2</sup> 807 KAR 5:001 § 3(8)(b).

<sup>3</sup> *In the Matter of Application of Louisville Gas and Electric Company for a Certificate of Public Convenience and Necessity and Approval of Its 2009 Compliance Plan for Recovery by Environmental Surcharge* (Case No. 2009-00198) Order, Aug. 28, 2009 (denying intervention to customer Tammy Stewart on ground she lacked a special interest meriting intervention, as well as expertise that would assist the Commission); *In the Matter of: Application of Kentucky Utilities Company for an Order Approving the Establishment of a Regulatory Asset* (Case No. 2009-00174) Order, June 26, 2009 (denying Rep. Jim Stewart’s Motion to Intervene because he had neither a special interest in the proceeding nor was he likely to assist the Commission to render a decision); *In the Matter of: Joint Application of Louisville Gas and Electric Company, Association of Community Ministries, Inc., People Organized and Working for Energy Reform, and Kentucky Association for Community Action, Inc. for the Establishment of a Home Energy Assistance Program* (Case No. 2007-00337) Order, Sept. 14, 2007 (“[H]old[ing] a particular position on issues pending in ... [a] case does not create the requisite ‘special interest’ to justify full intervention under 807 KAR 5:001, Section 3(8)(b).”).

<sup>4</sup> *See, e.g., In the Matter of: Application of Kentucky Utilities Company for an Adjustment of Base Rates* (Case No. 2009-00548); *In the Matter of: Application of Kentucky Utilities Company for an Adjustment of Base Rates* (Case No. 2008-00251); *In the Matter of: Application of Kentucky Utilities Company for an Adjustment of Its Electric Rates, Terms and Conditions* (Case No. 2003-00434).

Moreover, the KSBA moved to intervene in this proceeding on July 18, 2012. KSBA is represented by counsel and has participated as a full intervenor in prior KU rate proceedings. There is no reason to doubt KSBA's ability to represent adequately in this proceeding the interests of Scott County Schools and all other school districts in KU's service territory; indeed, as KSBA noted in its motion, "As a member of KSBA, Scott County Schools will have representation in this matter through KSBA if the Commission grants full intervenor status to KSBA."<sup>5</sup> It would therefore be redundant at best, and disruptive at worst, to permit Scott County Schools to intervene in this proceeding. For that reason, the Commission should deny Scott County Schools' motion.

**II. The Commission Should Deny Scott County Schools' Motion to Intervene Because They Have Not Demonstrated that They Will Present Issues or Develop Facts that Would Assist the Commission.**

Scott County Schools' motion fails to demonstrate or even to claim that they will present issues or develop facts that would assist the Commission in fully considering this matter without unduly complicating or disrupting the proceeding.<sup>6</sup> Nowhere does Scott County Schools' motion identify any expertise in the principles of ratemaking, utility accounting, energy supply costs, or any other matter that could assist the Commission in this proceeding. Because Scott County Schools have failed to identify how they will present issues or develop facts that would assist the Commission in fully considering this matter, their motion should be denied.

**III. The Commission Should Deny Scott County Schools' Motion to Intervene Because their Intervention Could Unduly Complicate and Disrupt the Proceeding.**

Even if Scott County Schools could demonstrate that they would present issues or develop facts that would assist the Commission in this proceeding, their intervention could unduly complicate and disrupt the case in contravention of 807 KAR 5:001 § 3(8). Because

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<sup>5</sup> KSBA Motion to Intervene at 2.

<sup>6</sup> 807 KAR 5:001 § 3(8)(b).

Scott County Schools' motion does not demonstrate any expertise in ratemaking, their intervention could unduly complicate and disrupt the proceeding. As noted above, because the Attorney General and the KSBA will represent adequately Scott County Schools' claimed interest in this proceeding, their intervention would be redundant and likely be disruptive. Moreover, because Scott County Schools are *pro se*, their lack of familiarity with Commission proceedings and the relevant Kentucky statutes and regulations could disrupt this proceeding.

The proper means for Scott County Schools to participate in this proceeding is through filing public comments and communicating with the Attorney General and KSBA, who represent Scott County Schools' interests as ratepayers. Also, a Scott County Schools representative may provide oral comments at the public hearing in this matter or further written comments in the record in this case. These mechanisms ensure that Scott County Schools are given an opportunity to present their comments without unduly complicating this proceeding.

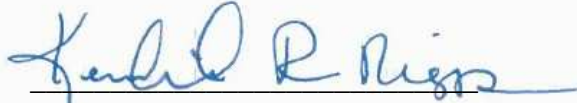
KU therefore respectfully requests that the Commission deny Scott County Schools' Motion to Intervene because their involvement could unduly complicate and disrupt this proceeding.

#### **IV. Conclusion**

Scott County Schools have failed to present any ground upon which the Commission can grant permissive intervention, and the Commission should therefore deny their motion to intervene. Scott County Schools' only interest in this proceeding is a customer interest, an interest that is represented by the Attorney General and the KSBA. Also, the motion does not demonstrate any intent to develop facts or issues that will assist the Commission in the resolution of this matter. Finally, Scott County Schools' intervention could unduly complicate and disrupt the proceeding. Therefore, KU respectfully requests that the Commission deny the Motion to Intervene of Scott County Schools.

Dated: July 20, 2012

Respectfully submitted,



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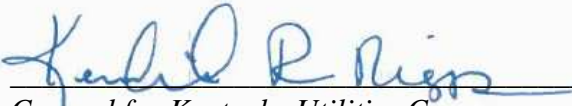
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**CERTIFICATE OF COMPLIANCE**

In accordance with Ordering Paragraph No. 10 of the Commission's June 22, 2012 Order, this is to certify that Kentucky Utilities Company's July 20, 2012 electronic filing of its Objection to the Motion to Intervene of Scott County Schools is a true and accurate copy of the same document being filed in paper medium; that the electronic filing has been transmitted to the Commission on July 20, 2012; that there are currently no parties that the Commission has excused from participation by electronic means in this proceeding; and that an original and two copies in paper medium of the Objection are being mailed by first class United States mail, postage prepaid, to the Commission today, July 20, 2012.



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