

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)	CASE NO. 2012-00222
RATES, A CERTIFICATE OF PUBLIC)	
CONVENIENCE AND NECESSITY,)	
APPROVAL OF OWNERSHIP OF GAS)	
SERVICE LINES AND RISERS, AND A GAS)	
LINE SURCHARGE)	

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

Louisville Gas and Electric Company (“LG&E”) respectfully submits this Sur-reply to further object to Thomas Gerstle’s intervention in this proceeding. This Sur-reply is necessary because Mr. Gerstle’s Rebuttal further clarified that he (1) does not have a special interest warranting intervention; and (2) has not demonstrated the ability to present issues or develop facts that would assist the Commission.

I. Mr. Gerstle Does Not Have a Special Interest in this Proceeding

As LG&E explained in its Objection to Mr. Gerstle’s Motion to Intervene, Mr. Gerstle does not have a special interest warranting intervention in this proceeding pursuant to 807 KAR 5:001, Section 3(8). This was further clarified in Mr. Gerstle’s rebuttal, in which he claimed he has two special interests in this proceeding. The first alleged interest is that “[n]atural gas and electricity are essential to Mr. Gerstle’s life and those of his family,” the “magnitude of which are not known or adequately represented by the Attorney General.”¹ The interest Mr. Gerstle has claimed, however, is an interest shared equally by all LG&E customers. Moreover, it is precisely the type of interest that the Attorney General is statutorily required to represent

¹ Gerstle Rebuttal, p. 1.

pursuant to KRS 367.150(8)(b) and has successfully done so. Mr. Gerstle should consider communicating with the Attorney General, who statutorily represents his interest as a customer in this proceeding.

Mr. Gerstle's second claimed interest is that he "opposes transfer of the ownership" of his gas lines because of his recent improvements to same and the "Attorney General has no specific knowledge of Mr. Gerstle's improvements and thus will not adequately represent his interests."² As with Mr. Gerstle's first claimed interest, simply opposing the proposed gas line tracker does not confer upon Mr. Gerstle an interest different from, or greater than, any other customer that supports or opposes one or more aspects of LG&E's Application in this case. The Commission, in denying a motion to intervene, has held that simply because a customer "holds a particular position on issues pending in this case does not create the requisite 'special interest' to justify full intervention under 807 KAR 5:001, Section 3(8)(b)."³ As such, neither of Mr. Gerstle's claimed interests in this proceeding are special interests warranting intervention.

II. Mr. Gerstle Has Not Demonstrated that He Will Present Issues or Develop Facts that Will Assist the Commission

Mr. Gerstle states that he has pertinent knowledge and skills to present issues and develop facts that would assist the Commission because of his business background.⁴ After explaining his business background, which includes providing rail logistical services, Mr. Gerstle states that he thus has "unique knowledge and experience" regarding "ratemaking and gas safety."⁵ Respectfully, Mr. Gerstle's business background does not mean that he has experience in ratemaking and the corresponding technical components associated with same.

² *Id.*

³ *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, September 14, 2007.

⁴ *Id.* at p. 2.

⁵ *Id.*

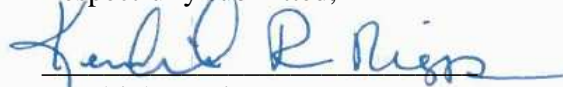
Moreover, Mr. Gerstle's Motion to Intervene, as well as his Rebuttal, demonstrates a fundamental misunderstanding of LG&E's proposed gas line tracker; namely, that if the proposed program and corresponding tracker is approved, LG&E will automatically assume ownership of every LG&E gas customer's service line. As explained in the testimony supporting LG&E's Application in this proceeding, LG&E will only assume ownership of a customer's service line when a new service is installed or the existing line is repaired or replaced.⁶ For the foregoing reasons, Mr. Gerstle's Rebuttal does not demonstrate that he will present issues or develop facts that would assist the Commission.

III. Conclusion

LG&E respectfully requests that the Commission deny Mr. Gerstle's Motion to Intervene in this proceeding. His rebuttal further demonstrates that he does not satisfy either prerequisite for intervention pursuant to 807 KAR 5:001 § 3(8).

Dated: August 22, 2012

Respectfully submitted,



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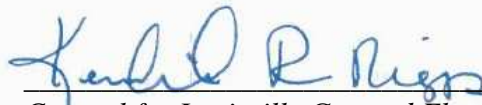
⁶ See the June 29, 2012 Direct Testimony of Chris Hermann, p. 16-17.

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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 Louisville Gas and Electric Company's August 22, 2012 electronic filing of the foregoing Sur-reply 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 August 22, 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 Sur-reply is being mailed by first class U.S. mail, postage prepaid, to the Commission on August 22, 2012. A paper copy of the Sur-reply has also been sent via first class U.S. mail, postage prepaid, to Thomas Gerstle at the address listed on his Rebuttal on August 22, 2012.

A handwritten signature in blue ink, reading "Gerald R. Riess", is written over a horizontal line.

Counsel for Louisville Gas and Electric Company