

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

In the Matter of:

ELECTRONIC APPLICATION OF KENTUCKY	)	
UTILITIES COMPANY FOR AN ADJUSTMENT OF	)	Case No. 2016-00370
ITS ELECTRIC RATES AND FOR CERTIFICATES	)	
OF PUBLIC CONVENIENCE AND NECESSITY	)	

---

**MOTION FOR LEAVE TO INTERVENE**

---

Comes now East Kentucky Power Cooperative, Inc. (“EKPC”), by counsel, pursuant to 807 KAR 5:001, Section 4(11) and other applicable law, and for its Motion for Leave to Intervene in the above-styled proceeding, respectfully states as follows:

1. EKPC is a Kentucky rural electric cooperative corporation established under KRS Chapter 279 and a public utility as defined in KRS 278.010(3)(a). EKPC provides wholesale electricity to its sixteen Owner-Member distribution cooperatives, which in turn serve approximately 525,000 Kentucky homes, farms and commercial and industrial establishments in eighty-seven (87) Kentucky counties. EKPC’s mailing address is P.O. Box 707, Winchester, Kentucky 40392-0707 and its electronic mail address is [psc@ekpc.coop](mailto:psc@ekpc.coop).

2. On November 23, 2016, Kentucky Utilities Company (“KU”) filed its Application and supporting documents in this matter. Among other relief, KU requested authority to increase its electric rates, a Certificate of Public Convenience and Necessity (“CPCN”) for the full deployment of Advanced Metering Systems, and a CPCN for its Distribution Automation

project. KU's sister company, Louisville Gas and Electric Company ("LG&E"), is presently seeking similar relief in Case No. 2016-00371.<sup>1</sup>

3. As previously observed by the Commission, "the transmission systems of East Kentucky, LGE, and KU have multiple interconnections and each system is used to serve the other's retail customers."<sup>2</sup> Indeed, EKPC owns fifty-five (55) distribution substations that are connected to the KU/LG&E transmission system, and together the utilities share fifty-four (54) free-flowing tie lines. As a consequence of this extensively-intertwined system framework, EKPC depends upon KU/LG&E to provide safe and reliable transmission service.

4. KU/LG&E, which jointly operate their generation and transmission systems on an integrated basis, stated in their respective Applications that they anticipate expending approximately \$720 million on new capital investments during the period of July 1, 2016, through June 30, 2018, of which \$247.9 million is allocated to electric transmission and related projects.<sup>3</sup> According to KU/LG&E, this spending is necessary because "[m]uch of the Companies' transmission infrastructure is old and at or near the end of its usable life[.]" and because "[t]he consequences of transmission equipment failure, particularly where no redundancy exists to quickly restore the system, can have a substantial impact on customers."<sup>4</sup>

5. KU/LG&E are currently implementing a Transmission System Improvement Plan ("Transmission Plan") that includes numerous projects and programs aimed at improving

---

<sup>1</sup> *In the Matter of the Electronic Application of Louisville Gas and Electric Company for an Adjustment of its Electric and Gas Rates and for Certificates of Public Convenience and Necessity* (filed Nov. 23, 2016).

<sup>2</sup> Case No. 2012-00169, *In the Matter of the Application of East Kentucky Power Cooperative, Inc. to Transfer Functional Control of Certain Transmission Facilities to PJM Interconnection, LLC* (Ky. P.S.C. June 13, 2012) (Order granting KU/LG&E's requested intervention, at p. 3).

<sup>3</sup> See Application, Tab 14, Testimony of Kent W. Blake, at pp. 4-5.

<sup>4</sup> See Application, Tab 14, Testimony of Paul W. Thompson, at p. 28.

reliability and system integrity.<sup>5</sup> The Transmission Plan contains a description of the assets and performance of KU/LG&E's existing transmission infrastructure, as well as generally describes the types of improvements KU/LG&E plan to make during the period of 2017-2021.<sup>6</sup> KU/LG&E expect to incur over a half billion dollars in capital and operation and maintenance expenses to implement the Transmission Plan.<sup>7</sup>

6. Consistent with the holding of the Kentucky Court of Appeals in *EnviroPower, LLC v. Public Service Com'n of Kentucky*<sup>8</sup> and Commission precedent, EKPC seeks to intervene in this matter based on its unique and substantial interest in the transmission service and rates of KU. EKPC's system "is heavily interconnected with KU due to the contiguous nature of their respective service territories and joint use of transmission facilities,"<sup>9</sup> and EKPC paid KU/LG&E \$6,778,604 for transmission service in calendar year 2015; in light of these facts, EKPC has a distinct reason and duty to scrutinize the investments KU/LG&E propose to make in their electric transmission infrastructure. Moreover, EKPC is uniquely positioned and qualified to ensure that the transmission investments made across the KU/LG&E system are accomplished in a nondiscriminatory manner that improves reliability and performance not only for KU/LG&E's retail customers, but also for the cooperative retail customers who depend on KU/LG&E transmission. For these reasons, it is appropriate that there be "an inquiry in this case into the

---

<sup>5</sup> See *id.*, Exhibit PWT-2.

<sup>6</sup> *Id.*

<sup>7</sup> *Id.*, at pp. 21-22.

<sup>8</sup> No. 2005-CA-001792-MR, Not Reported in S.W.3rd, 2007 WL 289328 (Ky.App. Feb. 2, 2007).

<sup>9</sup> Administrative Case No. 387, *In the Matter of A Review of the Adequacy of Kentucky's Generation Capacity and Transmission System* (Ky. P.S.C. Dec. 20, 2001) (Order at pp. 24, 58).

impacts, if any, of [KU/LG&E's transmission-related proposals] on the operations, rates, and service of' EKPC.<sup>10</sup>

7. EKPC's distinct interests in this matter are not otherwise adequately represented by an existing party. While the Attorney General, through his Office of Rate Intervention, effectively represents the interests of similarly-situated retail electric customers, EKPC—and only EKPC—has the familiarity with both the relevant interconnected transmission systems and the interest necessary to sufficiently ensure KU/LG&E's proposed investments are appropriately identified, designed, sequenced, and funded so as not to disregard or negatively impact EKPC's system performance.

8. EKPC's special interest in this proceeding, which is not otherwise adequately represented, is precisely the type of interest that the Commission's intervention regulation contemplates.<sup>11</sup> The applicable regulation also independently supports EKPC's intervention herein based on the likelihood that it would result in a better informed Commission.<sup>12</sup> EKPC's substantial and ongoing operational relationship with KU/LG&E, its extensive knowledge of KU/LG&E's existing transmission facilities, and its obvious interest in a safe and reliable electric transmission grid allow EKPC to present issues and develop facts in this proceeding that may assist the Commission in fully considering the matters presented. EKPC intends to play a constructive role in the Commission's decision making process, and its participation will not unduly complicate or disrupt the proceedings nor unduly prejudice any party.

---

<sup>10</sup> See *supra* n. 2, Order at p. 3.

<sup>11</sup> See 807 KAR 5:001 Section 4(11)b.

<sup>12</sup> *Id.*

9. Because the matters herein adjudicated may affect the rates and service of EKPC, its sixteen (16) Owner-Members and their many end-use customers, EKPC seeks intervention to ensure its unique interests are adequately represented.

WHEREFORE, EKPC respectfully requests that it be allowed to intervene in this proceeding.

This 21<sup>st</sup> day of December, 2016.

Respectfully submitted,



---

Mark David Goss  
David S. Samford  
M. Evan Buckley  
GOSS SAMFORD, PLLC  
2365 Harrodsburg Road, Suite B-325  
Lexington, Kentucky 40504  
(859) 368-7740  
mdgoss@gosssamfordlaw.com  
david@gosssamfordlaw.com  
ebuckley@gosssamfordlaw.com

*Counsel for East Kentucky Power Cooperative, Inc.*

## CERTIFICATE OF SERVICE

In accordance with 807 KAR 5:001, Section 8, the undersigned certifies that this document 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 December 21, 2016; that there are currently no parties in this proceeding that the Commission has excused from participation by electronic means; that the original and six (6) copies of the document transmitted electronically will be filed with the Commission in paper medium within two business days from the date of the electronic filing; and that this document was served via electronic mail on this 21<sup>st</sup> day of December, 2016, upon the following:

Rebecca W. Goodman, Esq.  
Lawrence W. Cook, Esq.  
Kent Chandler, Esq.  
Office of the Attorney General  
Rebecca.Goodman@ky.gov  
Larry.Cook@ky.gov  
Kent.Chandler@ky.gov

Robert M. Conroy  
Rick E. Lovekamp  
LG&E and KU Services Company  
robert.conroy@lge-ku.com  
rick.lovekamp@lge-ku.com

Allyson K. Sturgeon, Esq.  
Sara Veeneman, Esq.  
LG&E and KU Services Company  
Allyson.Sturgeon@lge-ku.com  
Sara.Veeneman@lge-ku.com

Kendrick R. Riggs, Esq.  
W. Duncan Crosby, III, Esq.  
Stoll Keenon Ogden PLLC  
kendrick.riggs@skofirm.com  
duncan.crosby@skofirm.com

Lindsey W. Ingram, III, Esq.  
Monica H. Braun, Esq.  
Gerald E. Wuetcher, Esq.  
Stoll Keenon Ogden PLLC  
l.ingram@skofirm.com  
monica.braun@skofirm.com  
gerald.wuetcher@skofirm.com

Michael L. Kurtz, Esq.  
Kurt J. Boehm, Esq.  
Jody Kyler Cohn, Esq.  
Boehm, Kurtz & Lowry  
MKurtz@bkllawfirm.com  
kboehm@bkllawfirm.com  
jkylercohn@bkllawfirm.com

Robert C. Moore, Esq.  
Stites & Harbison PLLC  
rmoore@stites.com

Iris G. Skidmore, Esq.  
Bates & Skidmore  
BatesandSkidmore@gmail.com

David J. Barberie, Esq.  
Andrea C. Brown, Esq.  
Janet M. Graham, Esq.  
LFUCG Department of Law  
dbarberi@lexingtonky.gov  
abrown2@lexingtonkv.gov  
jgraham@lexingtonky.gov

Tommy Barton  
Greater Muhlenberg Parks & Recreation  
System  
tommy@mcparcs.org

Don C. A. Parker, Esq.  
Barry A. Naum, Esq.  
Carrie M. Harris, Esq.  
Spilman Thomas & Battle, PLLC  
dparker@spilmanlaw.com  
bnaum@spilmanlaw.com  
charris@spilmanlaw.com

A handwritten signature in blue ink, reading "Laurel D. Sen". The signature is fluid and cursive, with a long horizontal stroke at the end.

---

*Counsel for East Kentucky Power Cooperative, Inc.*