

COMMONWEALTH OF KENTUCKY
BEFORE THE PUBLIC SERVICE COMMISSION

In the Matter of:

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

**KENTUCKY UTILITIES COMPANY'S
OBJECTION TO KENTUCKY LEAGUE OF CITIES' MOTION TO INTERVENE**

Kentucky Utilities Company (“KU” or the “Company”) respectfully requests that the Commission deny the motion of Kentucky League of Cities (“KLC”) for intervention. KLC’s motion should be denied for two principal reasons: (1) the motion does not state or demonstrate a special interest in the proceeding that is not adequately represented; and (2) the motion fails to show that KLC will identify any relevant issues or develop relevant facts that will assist the Commission in the resolution of this matter without unduly complicating and disrupting the proceeding. Because KLC has satisfied none of the requirements for intervention under 807 KAR 5:001 § 4(11)(b), KU respectfully requests that the Commission deny KLC’s motion for intervention.

KLC Does Not Have a Special Interest in This Proceeding

The Commission may grant KLC’s petition for intervention only if it meets the requirements of 807 KAR 5:001 § 4(11)(b). KLC does not satisfy the first basis for permissive intervention, which requires the movant to demonstrate a special interest in the proceeding that is not already represented by another party to the action.¹ As an initial matter, it is not clear from KLC’s motion which KU municipal customers KLC is representing. While the motion lists

¹ 807 KAR 5:001 § 4(11)(b).

several municipalities that “receiv[e] service from KU,” the motion qualifies that the listed cities are merely “representative of the overall membership of KLC.”

The motion also fails to demonstrate that KLC has a special interest in this proceeding that is not already adequately represented. KLC’s motion claims that the diversity of its membership “in terms of size, population, infrastructure, and geographic location within the Commonwealth” cannot adequately be represented by any other party.² The diversity of KLC’s membership, however, has nothing to do with KU’s rates or services, which are “the only two subjects under the jurisdiction of the PSC.”³ KLC further alleges that it “represents the customers paying the majority of revenue generated under” KU’s street light and traffic light tariffs.⁴ The accuracy of KLC’s claim cannot be evaluated because the municipal customers KLC intends to represent are not listed in the motion. Regardless, KLC has not identified a special interest that is not already represented. As KLC concedes, the city of Lexington has already been granted intervention in the case. Likewise, KLC’s counsel is representing the Louisville/Jefferson County Metro Government in Louisville Gas and Electric Company’s (“LG&E”) rate case, which is a sister utility to KU.⁵ To the extent there is a special interest in street lights and traffic lights, the two biggest cities in Kentucky have been granted intervention to represent those interests in KU’s and LG&E’s rate proceedings. KLC has not suggested that the interests of its municipal clients are adverse to Lexington or Louisville, or explained how its interests differ.

² Motion at 1.

³ *EnviroPower, LLC v. Public Service Commission of Kentucky*, No. 2005-CA-001792-MR, 2007 Ky. App. Unpub. LEXIS 121, at *4 (Ky. App. 2007) (not to be published).

⁴ Motion at 2.

⁵ Case No. 2016-00371.

Finally, KU has not proposed any changes to its Lighting Energy Service rate, which encompasses certain street lighting equipment and facilities.⁶ KLC's claim that "[p]roposed changes to rate allocation methods will have a great impact on KLC's membership's costs and policy decisions" is erroneous with respect to street lights served under KU's Lighting Energy Service rate.⁷

Furthermore, the Commission has consistently rejected the argument that the potential impact to a customer's costs is a special interest warranting intervention. In a recent order denying intervention, the Commission reaffirmed that the Attorney General, pursuant to KRS 367.150(8)(b), represents this generalized interest:

The Commission further finds that Petitioner has failed to establish that it has a special interest in this matter that is not otherwise adequately represented, notwithstanding Petitioner's generalized representation that its current members would be impacted by Big Rivers' application. Big Rivers provides power to approximately 112,000 customers, and each one of those customers will be impacted financially by the issues in this rate case.⁸

The same analysis merits denying intervention to KLC.

**The Commission Should Deny KLC's Motion to Intervene
Because KLC Has Not Demonstrated That It Will Present Issues
or Develop Facts That Would Assist the Commission**

Because KLC lacks an interest in this proceeding that is not adequately represented by other parties, KLC may intervene only if it can show that it will present issues or develop facts that will assist the Commission without unduly complicating or disrupting the proceeding. The petition fails to do so. KLC does not identify which issues or facts it intends to present and develop; instead it merely alleges that it "intends to participate in every aspect of the case,

⁶ Compare P.S.C. No. 17, First Revision of Original Sheet No. 37 with proposed P.S.C. No. 18, Original Sheet No. 37.

⁷ In its application, KU is proposing increases to the rates for LS (Lighting Service) and RLS (Restricted Lighting Service).

⁸ *In the Matter of: Application of Big Rivers Electric Corporation for a General Adjustment in Rates Supported by Fully Forecasted Test Period* (Case No. 2013-00199) (Ky. PSC Nov. 12, 2013).

including offering testimony on the impact of the proposed rate increase on KLC's membership."⁹ Offering opinions on the generalized impact of the proposed rate increase is best accomplished through filing public comments. Testimony on this topic will not assist the Commission in the resolution of this case. Moreover, KLC may also provide oral comments at the public hearing in this matter. These mechanisms ensure that KLC is given an opportunity to present its comments without unduly complicating the pending action.

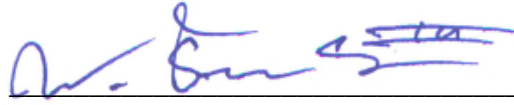
Conclusion

KLC has not satisfied either of the bases for permissive intervention set forth in 807 KAR 5:001 §4(11)(b). KLC does not have a special interest that is not already adequately represented by other parties, and it has not shown an ability to present issues or develop facts that will assist the Commission in considering KU's proposed rates without unduly complicating and disrupting this proceeding.

⁹ Motion at 2.

Dated: December 29, 2016

Respectfully submitted,



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CERTIFICATE OF COMPLIANCE

This is to certify that Kentucky Utilities Company's December 29, 2016 electronic filing of the Objection 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 29, 2016; that there are currently no parties that the Commission has excused from participation by electronic means in this proceeding; and that an original and six copies, in paper medium of this Objection will be mailed to the Commission on December 29, 2016. This further certifies that a true and accurate copy of the foregoing was served, via U.S. Mail and electronic mail, on December 29, 2016, upon the following.

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A handwritten signature in blue ink, appearing to read "D. Dutton", is written over a horizontal line.

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