

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

Kentucky Industrial Utility Customers, Inc., <i>Complainant</i>	:	Case No. 2017-00477
v.	:	
Kentucky Utilities Company, Louisville Gas and Electric Company, Kentucky Power Company, and Duke Energy Kentucky, <i>Defendants.</i>	:	
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**REPLY AND RESPONSE
OF KENTUCKY INDUSTRIAL UTILITY CUSTOMERS, INC.**

KIUC submits this Reply and Response to the pleadings filed by Kentucky Power Company, Duke Energy Kentucky, Louisville Gas and Electric Company, and Kentucky Utilities Company (collectively, the “Utilities”) in the above-captioned proceeding on January 2, 2018 and January 4, 2018. In those pleadings, the Utilities oppose the Motion to Consolidate filed by the Attorney General of the Commonwealth of Kentucky, by and through his Office of Rate Intervention, (“AG”) on December 28, 2017 (“Motion”) and ask that the Commission establish separate, utility-specific proceedings for the four utilities involved in this proceeding.

KIUC initially supported the AG’s Motion and submitted a Response in favor of that Motion on January 2, 2018. At the time, KIUC believed that consolidating this case with the Commission’s investigation in Case No. 2017-00481 would be the most efficient procedural approach. However, upon review of the Utilities’ pleadings, KIUC now sees merit in dividing this case into separate, utility-specific proceedings, with the Duke Energy Kentucky tax savings issues being addressed either in a separate proceeding or as part of its pending rate case (Case No. 2017-00321). This procedural approach seems more likely to achieve KIUC’s goal of expeditiously securing rate relief for customers.

Accordingly, KIUC agrees that this case should be divided into separate, utility-specific proceedings for KU, LG&E and Kentucky Power. As to Duke, there should either be a separate case or the tax issue should be addressed in Duke’s pending rate case.

Respectfully submitted,



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