COMMONWEALTH OF KENTUCKY

BEFORE THE PUBLIC SERVICE COMMISSION

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In The Matter Of:

ELECTRONIC JOINT APPLICATION OF LOUISVILLE GAS AND ELECTRIC COMPANY AND KENTUCKY UTILITIES COMPANY FOR CERTIFICATES OF PUBLIC CONVENIENCE AND NECESSITY FOR FULL DEPLOYMENT OF ADVANCED METERING SYSTEMS

CASE NO. 2018-00005

<u>MOTION TO INTERVENE</u> OF ASSOCIATION OF COMMUNITY MINISTRIES, INC.

1. Now comes Association of Community Ministries, Inc. ("ACM"), by and through counsel, and pursuant to 807 KAR 5:001, Section 4(11) moves for leave to intervene in this proceeding.

2. ACM is an umbrella organization comprised of fifteen independent community ministries that provide utility assistance and other social services to low income individuals throughout Louisville Metro. ACM functions as the Louisville community's safety net by providing an emergency assistance network of ministries, each located in and serving a designated geographic area in Louisville. All of ACM's member agencies directly assist customers of Louisville Gas and Electric Company ("LG&E") who have received disconnection notices by making payments to LG&E sufficient to maintain service for thirty days. ACM's utility assistance funds come from Louisville Metro government, LG&E and private donations from faith communities, businesses and others in the community. ACM agencies also implement the Community Winterhelp program in Louisville, distributing LG&E ratepayer contributions to assist low income customers

during the winter months. Together, ACM agencies typically spend nearly one million dollars paying client utility bills, but still are not able to assist all those needing help. ACM is a Kentucky nonprofit corporation exempt under Section 501(c)(3) of the Internal Revenue Code whose address is P. O. Box 99545, Louisville, Kentucky 40269.

3. The attorneys for ACM authorized to represent it in this proceeding and to take service of all documents are:

Lisa Kilkelly Eileen Ordover LEGAL AID SOCIETY, INC. 416 W. Muhammad Ali Blvd., Ste. 300 Louisville, Kentucky 40202 Telephone: (502) 584-1254 Facsimile: (502) 584-8014 Email: LKilkelly@laslou.org EOrdover@laslou.org

4. 807 KAR 5:001 provides that the Commission shall grant a person leave to intervene if the Commission finds that he or she has made a timely motion for intervention and that he or she has a special interest in the case that is not otherwise adequately represented or that his or her intervention is likely to present issues or to develop facts that assist the Commission in fully considering the matter without unduly complicating or disrupting the proceedings.

5. ACM's Motion to Intervene is timely and is being filed before the February 9, 2018 deadline for the filing of requests for intervention established by the Commission's Order entered January 26, 2018.

6. ACM has a special interest in this case as a participant in the Advanced Metering Systems ("AMS") Collaborative convened by LG&E and Kentucky Utilities Company

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("KU") (collectively "the Companies"). ACM was an intervenor in the Companies' 2016 base-rate cases in which they requested Certificates of Public Convenience and Necessity ("CPCNs") for full deployment of AMS. ACM raised numerous issues about the Companies' plans, including the lack of planning for remote disconnections and challenges that would impact low income customers in benefitting from AMS. As part of the First Stipulation filed in those cases, the Companies agreed to withdraw their requests for the AMS CPCNs and agreed to participate in an AMS Collaborative to discuss interested parties' concerns with AMS and to seek to address them. ACM actively participated in the Collaborative sessions, but still has concerns about AMS that are unresolved.

7. In the Collaborative, ACM's concerns about the need for additional protections and details about how remote disconnections would work were discussed, but several of these issues are not addressed in the Companies' Application for the CPCNs. For example, the parties discussed the need for additional notifications of impending disconnection and raised questions about the timing of remote disconnections, but the Companies have not supplied further details or made any commitments in the Application relating to these issues. The Companies have only stated that they are not proposing to change any of their service disconnection or reconnection policies.¹

8. Further, by virtue of its work in directly administering significant amounts of financial assistance payments to LG&E in order to help LG&E customers maintain service, ACM has a special interest in ensuring that the proposed change to remote disconnection does not adversely affect its ability to serve its clients. In 2016, forty percent (40%) of disconnect service orders were cancelled due to payment or pledge

¹ Testimony of Rick E. Lovekamp at 3.

being made before a service technician arrived at the premises.² Anything that changes the disconnection process has the potential to affect ACM agencies' work with LG&E customers and could tax ACM agencies' ability to keep up with the need. It is of critical importance that any system for remote disconnections work effectively with assistance providers so that unnecessary disconnections do not occur. As a service provider, ACM has a special interest in participating in this case in order to address issues that AMS may raise that will impact its ability to work with low income LG&E customers.

9. ACM also has a special interest as an assistance provider in how the proposed full deployment of AMS would affect its clients' bills. ACM is always interested in assisting its clients to reduce their utility bills to the extent possible, not only to help its clients better afford utilities and avoid disconnection, but also so that ACM can further stretch assistance dollars. Its clients will share in the costs of AMS like other ratepayers, but may not be able to reap the benefits from AMS enabled data that would help them reduce their bills. As pointed out in ACM's Testimony in the 2016 base-rate cases, low income customers have lower rates of home internet access and computer ownership and evidence suggested low enrollment rates of low income customers in the Companies' AMS pilot program.³ Moreover, many ACM clients face barriers to implementing energy saving changes that AMS data might suggest such as the cost of programmable thermostats, or for elderly or disabled clients who are home much of the time, the inability to reduce usage to a significant degree.

² Exhibit DEH-4, page 34 to the Testimony of David E. Huff.

³ 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, Case No. 2016-00371, Testimony of Marlon Cummings at 25-28.

10. ACM also has an interest as a service provider in ensuring that there is sufficient evidence that the AMS costs are justified by the benefits. The high costs of AMS deployment will ultimately have an impact on its clients' bills, particularly if all of LG&E's estimated benefits do not materialize. Higher bills deplete assistance funds more quickly with more funds needed to keep services on. Although LG&E estimates net benefits over the 22 year life of the project, the initial costs will be high.

11. ACM's special interests as a direct service provider and administrator of key emergency utility assistance programs in the LG&E service territory cannot be adequately represented by the other parties in this case. Pursuant to KRS 367.150(8), the Attorney General of the Commonwealth of Kentucky is charged with representing consumers' interests, an interest different from those ACM asserts here. In addition, the Attorney General does not have ACM's expertise in assisting LG&E ratepayers in crisis to inform him in identifying problems and potential solutions for low income ratepayers and the agencies that assist them with respect to AMS. Further, the record in this case already reflects divergent viewpoints with respect to full deployment of AMS that could not be effectively represented by a single party. In describing the first session of the AMS Collaborative, Company witness David Huff stated "as participants shared their specific positions on different aspects of an AMS program, participants realized that their interests and positions may not align with all intervenors and, in some cases, may actually oppose another's position."⁴

12. ACM's intervention will present issues and facts that will assist the Commission in fully considering this matter without unduly complicating or disrupting the

⁴ Testimony of David E. Huff at 5, Lines 15 - 18.

proceedings. ACM, after preliminary review of the Application, would seek to present issues and develop facts in the following areas:

- Impacts from full deployment of AMS on ACM's services in preventing disconnections and its program operations and administration;
- Additional procedures to protect low income residential customers as a result of the Companies' plan to implement remote disconnections of service;
- Barriers that low income customers face that may limit their ability to benefit from savings opportunities that the Companies are including as a benefit of AMS; and
- Whether customer data from the AMS Opt-in program on which the Companies are relying in support of their proposal is representative of the customer base including low income clients.

Upon further review of the proceedings ACM may identify other relevant issues.

13. ACM has participated in a number of other matters before the Commission.⁵ Consistent with its participation in past proceedings, ACM will participate in this case efficiently and without unduly complicating or disrupting the proceedings.

⁵ Joint Application of Louisville Gas & Electric Co., 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; Application of Louisville Gas and Electric Company, Inc. for an Adjustment of its Electric and Gas Base Rates, Case No. 2008-00252; Application of Louisville Gas and Electric Company for an Adjustment of Electric and Gas Base Rates, Case No. 2009-00549; An Investigation of Natural Gas Retail Competition Programs, Case No. 2010-00146; Joint Application of PPL Corporation, E.On Ag, E.On Us Investments Corp., E.On U.S. LLC, Louisville Gas and Electric Company, and Kentucky Utilities Company for Approval of an Acquisition of Ownership and Control of Utilities, Case No. 2010-00204; Joint Application of Louisville Gas & Electric Company and Kentucky Utilities Company for Review, Modification, and Continuation of Existing, and Addition of New, Demand-Side Management and Energy-Efficiency Programs, Case No. 2011-00134; Application of Louisville Gas and Electric Company for Adjustment of its Electric and Gas Rates, A Certificate Of Convenience and Necessity, Approval of Gas Service Lines and Risers, and a Gas Line Surcharge, Case No. 2012-00222; Joint Application of Louisville Gas and Electric Company and Kentucky Utilities Company For Review, Modification, and Continuation of Existing, and Addition of New, Demand-Side Management and Energy-Efficiency Programs, Case No. 2014-00003; Application of Louisville Gas and Electric Company for an

ACM has a special interest that is not otherwise adequately represented by parties to this proceeding. If allowed to intervene, ACM will present issues and develop facts that will assist the Commission in fully considering this matter without unduly complicating or disrupting the proceedings.

WHEREFORE, ACM requests that it be granted leave to intervene as a full party in this proceeding, with all rights attendant to full party status.

Respectfully submitted,

Lisa Kilkelly

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Counsel for ACM

Dated: January 31, 2018

Adjustment of its Electric and Gas Rates, Case No. 2014-00372; and 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, Case No. 2016-00371.

CERTIFICATE OF COMPLIANCE

In accordance with 807 KAR 5:001, Section 8, I hereby certify that Association of Community Ministries, Inc.'s January 31, 2018 electronic filing of the foregoing Motion To Intervene is a true and accurate copy of the same document being filed in paper medium; that the electronic filing has been submitted to the Commission on January 31, 2018; that there are currently no parties that the Commission has excused from participation by electronic means in this proceeding; and that the Motion to Intervene in paper medium and six copies are being mailed to the Commission on January 31, 2018 by Express Mail.

Lisa Kilkelly Lisa Kilkelly

Lisa Kilkelly Counsel for ACM