

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

**In The Matter of:**

**ELECTRONIC APPLICATION OF  
LOUISVILLE GAS AND ELECTRIC  
COMPANY FOR AN ADJUSTMENT OF  
ITS ELECTRIC AND GAS RATES**

**CASE NO. 2018-00295**

**PETITION FOR FULL INTERVENTION**  
**OF**  
**THE KROGER COMPANY**

Pursuant to K.R.S. §278.310 and 807 KAR 5:001 Section 4(11), The Kroger Company (“Kroger”) requests that it be granted full intervenor status in the above captioned proceeding and states in support thereof as follows:

1. As set forth in more detail below, Kroger operates a substantial number of retail stores throughout the service territory of Louisville Gas and Electric Company (“LG&E”) and purchases electric energy for these retail stores from LG&E. Electric service represents a significant cost of doing business for Kroger. Kroger therefore has a special interest in this proceeding in that the Application may have a significant impact on the rates paid by Kroger to LG&E. The position of Kroger cannot be adequately represented by any existing party. Kroger intends to play a constructive role in the Commission’s decision making process herein and its participation will not unduly prejudice any party or unduly complicate or disrupt the proceedings.

2. Kroger is one of the largest grocery retailers in the Commonwealth of Kentucky, employs approximately 21,224 associates in Kentucky, and is one of LG&E’s largest customers. Kroger operates over thirty (30) stores and other facilities in the territory served by LG&E, and

purchased approximately 90.5 million kWh from LG&E in 2017 at a cost exceeding \$7,100,000, primarily under the Time of Day Secondary tariff rate.

3. The purchase of electricity is one of the largest operating costs of Kroger's numerous grocery stores. Grocery stores generally operate on very low margins, and the cost of electricity is of significant interest to Kroger. Any increase in LG&E's rates may result in the increase in food-related costs, which would impact not only Kroger, but also its customers and suppliers.

4. Kroger, as a grocery retailer is required to meet numerous federal and state food safety laws and regulations. Significant electric usage is required to comply with these food safety laws and regulations.

5. Any modification to LG&E's rates has the potential to significantly impact Kroger's operations in LG&E's service territory. Any increase in LG&E's rates has the potential to cause a commensurate increase in the cost of the basic food supply to Kroger's customers.

6. Kroger has actively participated in a number of rate cases filed with the Kentucky Public Service Commission and in a many other jurisdictions. With respect to LG&E, Kroger participated in the following rate cases recently filed by LG&E with the Kentucky Public Service Commission, including participating in discovery, offering the direct testimony of Kevin C. Higgins or Neal Townsend with Energy Strategies, LLC, participating in settlement negotiations, and in the briefing of issues: Case nos. 2012-00222, 2014-00372 and 2016-00371.

7. Due to the number of Kroger stores at different locations in LG&E's service territory, the fact that it is one of the largest grocery retailers in Kentucky, and the fact that electricity is one of its largest costs, Kroger has a unique interest in this rate case. Any rate increase resulting from the rate case will potentially impact Kroger, as well as its numerous customers, suppliers and employees. In many of the communities that it serves, Kroger is not

only the primary source of retail groceries, but is also one of the larger employers. Accordingly, based on the factors set forth above, there is no other party that will adequately represent Kroger's unique interests in this proceeding.

8. As it has done in previous rate cases, Kroger will present evidence that will assist the Commission in fully considering the impact of any proposed rate increases. The evidence offered by Kroger will generally relate to fair and reasonable rates of return and return on equity, rate design, and cost and revenue allocation between the various rate classes. In prior rate cases, Kroger has also presented evidence that has enabled the interested parties to negotiate a reduced revenue requirement for utilities.

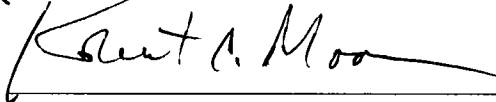
9. Kroger's interest in managing its electricity costs is reflected not only in its participation in rate cases, but also by its efforts to manage its energy use. Kroger earned the 2018 ENERGY STAR Partner of the Year Award for its prioritization of ENERGY STAR best practices in its energy management strategy. Additionally, since 2000 Kroger has reduced its overall energy use by over thirty-five percent (35%).

10. The attorney for Kroger authorized to represent it in this proceeding and to take service of all documents is:

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**WHEREFORE**, Kroger requests that it be granted full intervenor status in the above captioned proceeding.

Respectfully submitted,

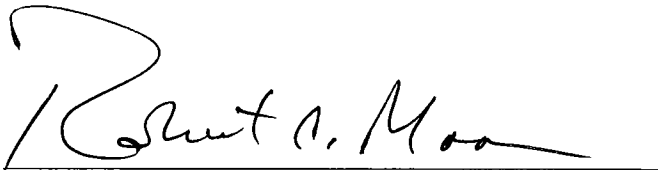


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**Counsel for The Kroger Company**

**CERTIFICATE**

It is hereby certified that the attached Petition for Full Intervention is a true and accurate copy of the document being filed with the Commission in paper medium; that the electronic filing was transmitted to the Commission on October 1, 2018; that there are currently no parties that the Commission has excused from participation by electronic means in this proceeding; and that a copy of the filing in paper medium is being hand delivered to the Commission within two (2) business days.



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Robert C. Moore