## COMMONWEALTH OF KENTUCKY BEFORE THE PUBLIC SERVICE COMMISSION

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In the Matter of:

ELECTRONIC APPLICATION OF LOUISVILLE GAS AND ELECTRIC COMPANY FOR AN ADJUSTMENT OF ITS ELECTRIC AND GAS RATES, A CERTIFICATE OF PUBLIC CONVENIENCE AND NECESSITY TO DEPLOY ADVANCED METERING INFRASTRUCTURE, APPROVAL OF CERTAIN REGULATORY AND ACCOUNTING TREATMENTS, AND ESTABLISHMENT OF A ONE-YEAR SUBCREDIT

CASE NO. 2020-00350

## **MOTION TO INTERVENE OF MCDONALD'S FRANCHISE OWNERS**

Come now, owners of seventeen (17) McDonald's Inc. restaurants, ("McDonald's") by and through counsel, pursuant to 807 KAR Section 4 and Section 11, and respectfully move the Kentucky Public Service Commission ("Commission") to permit these McDonald's franchise owners, collectively, to intervene and become a party in the above styled matter. In support of their Motion to Intervene, these McDonald's franchise owners state as follows:

1. McDonald is an international restaurant chain; however, each McDonald's

restaurant is owned by a franchisee. The franchisees who seek to intervene are:

Vic Topper, NPT Partners I, LLC, who owns the following McDonald's stores: Store 4776 at 207 West Broadway, Louisville, Kentucky 40202 Store 4924 at 3100 Poplar Level Road, Louisville, Kentucky 40213 Store 5190 at 2961 Breckenridge Lane, Louisville, Kentucky 40220 Store 6806 at 2209 Taylorsville Road, Louisville, Kentucky 40205 Store 23345 at 998 Breckenridge Lane, Louisville, Kentucky 40207 Store 24375 at 9901 Ormsby Station Road, Louisville, Kentucky 40223

Brittney Barnett, Four B Management LLC Store 3628 at 1100 South Hurstbourne Parkway, Louisville, Kentucky 40222

Perry Krause, Britiff Enterprises Inc. Store 17189 at 287 North Hubbars Lane, Louisville, Kentucky 40207 Store 25813 at 2314 Brownsboro Road, Louisville, Kentucky 40206 Store 1247 at 9254 Westport Road, Louisville, Kentucky 40242

Ira Salls, IRA, INC., DSJ Legacy LLC, and BUTTERBOYS ENTERPRISES INC Store 258 at 5600 Preston Hwy, Louisville, Kentucky 40219 Store 1433 at 8220 Preston Hwy, Louisville, Kentucky 40219 Store 6206 at 3340 Bardstown Road, Louisville, Kentucky 40218 Store 6341 at 4306 Bardstown Road, Louisville, Kentucky 40218 Store 3666 at 5630 Bardstown Road, Louisville, Kentucky 40291 Store 8166 at 6214 Old Shepherdsville Road, Louisville, Kentucky 40228 Store 12370 at 8600 Citadel Way, Louisville, Kentucky 40220

2. Louisville Gas and Electric (LG&E) filed its Application on November 25, 2020, the day before Thanksgiving, for general adjustment in its electric rates, including changes to its electric tariffs, a Certificate of Public Convenience and Necessity to deploy advanced metering infrastructure, approval of certain regulatory and accounting treatments, and establishment of a one-year sur-credit.

3. The McDonald's restaurant franchisees who seek to intervene, are located in Louisville, Kentucky, and are customers of LG&E and represent to the Commission that on average, each restaurant purchases approximately 600,000 kWh per year. These averages are representative of other McDonald's franchise usages across Jefferson County, Kentucky, and across the Commonwealth of Kentucky.

4. There are no other fast food restaurants represented in this action, and these owners are in a unique position, pursuant to 807 KAR 5:001, Section 4(11)(b), to provide insight to the PSC as to the adverse effects such a rate increase will cause on not only all McDonald's restaurants in the Commonwealth of Kentucky, but also other fast food restaurants.

5. While McDonald's' Motion to Intervene was not timely, as per the Commission's December 9, 2020, Order and the deadline to move to intervene ended on December 23, 2020, McDonald's has filed a Motion for Enlargement of Time, within which to file this Motion to

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Intervene and believes that no prejudice will occur as a result of the delay in filing the herein motion.

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6. Pursuant to 807 KAR 5:001, Section 4(11)(b), the Commission shall grant leave to intervene if it finds that "a timely motion for intervention" was made, that the party seeking intervention has "a special interest in the case that is not otherwise adequately represented," or that "intervention is likely to present issues or develop facts that assist the commission in fully considering the matter without unduly disrupting the proceedings." (Emphasis added.)

7. The impact of LG&E's Application for rate increase on McDonald's is unique in that no other restaurant chains have moved to intervene, but also representative of not only other McDonald's, but other fast food restaurants and other restaurants in Louisville, Kentucky and in the Commonwealth of Kentucky, and thus these McDonald's franchisees have a special interest which is not yet represented.

8. Importantly, these franchise owners will "present issues" and "develop facts that will assist the commission in fully considering the matter without unduly disrupting the proceedings."

9. The Commonwealth of Kentucky is unique in that it allows LGE to charge both usage and demand charges. Five years age, demand charges at McDonald's were 30-35% of the total bill; now demand charges are often greater than 50% of the total bill. This rate structure is antiquated and inconsistent with many more progressive states.

10. The attorneys representing these McDonald's franchise owners are:

Thomas E. Clay 917 Lily Creek Road Louisville, Kentucky 40243 Phone: (502) 561-2005 Fax: (502) 589-5500 tclay@tclaylaw.com Charles Meers 2300 Hurstbourne Village Drive Suite 600 Louisville, KY 40299 Fax: (502) 584-0439 charles@meerslaw.com **WHEREFORE**, McDonald's franchisees respectfully request that they be granted leave to intervene and be made a party to the above-captioned proceeding.

Respectfully submitted, 20 Thomas E. Clay

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## **CERTIFICATE OF SERVICE**

I hereby certify that the February 9, 2021, electronic filing is a true and accurate copy of the Motion to Intervene; and that on February 9, 2021, the electronic filing has been transmitted to the Commission. In accordance with all other applicable law, counsel certifies that an electronic copy of the foregoing was served by email to the following. A physical copy of the filing will be submitted to the Commission within 30 days after the Governor lifts the current State of Emergency.

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