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 AND FOR CERTIFICATES OF PUBLIC CONVENIENCE AND NECESSITY

CASE NO. 2016-00371

ORDER

This matter is before the Commission upon the motion of JBS Swift & Co ("JBS") requesting intervention in this proceeding. In support of its motion, JBS states that it is a pork processing facility in Louisville, Kentucky, with 1,200 employees and annual livestock payments of $440 million. JBS notes that it is the only major pork processing facility in Kentucky and supplies pork domestically and internationally. JBS states that it is an electric and gas customer of Louisville Gas and Electric Company ("LG&E") and that electric and gas services represent a significant cost as part of its operations. JBS asserts that it has a special interest in this proceeding because LG&E's application may have a significant impact on the rates paid by JBS to LG&E. Lastly, JBS avers that its interests cannot be adequately represented by another existing party and that it intends to play a constructive role in the Commission's decision-making process in this matter.

On December 29, 2016, LG&E filed a response objecting to JBS's request to intervene. LG&E contends that JBS's motion fails to demonstrate a special interest in this proceeding that is not otherwise adequately represented by other parties and fails to show that JBS 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.

On January 3, 2017, JBS filed a reply in support of its motion to intervene. JBS contends that its interest is not common to all other LG&E customers and is not adequately represented by other parties to this matter. JBS points out that it is the largest pork producer in Kentucky and is the only entity situated to articulate its unique ratepayer status. JBS reiterates that the electric and gas rates paid to LG&E represent a significant cost of doing business by JBS, and that LG&E’s application may have a significant impact on the electric and gas rates paid by JBS. JBS also contends that it will present issues and develop facts to assist the Commission in its decision without unduly complicating and disrupting the proceedings.

JBS indicates that it has a unique load profile that will be affected by changes to LG&E’s Industrial Time-of-Day Primary (“TODP”) rate because JBS utilizes significant power for refrigeration units that are highly sensitive to unscheduled outages, but that JBS would nonetheless be available for participation in the TODP or Curtailable Service Rider if it is provided with adequate notice. Additionally, JBS states that it is currently analyzing whether to participate in the Curtailable Service Rider (“CSR”), but that such analysis would be impacted given that LG&E is proposing certain changes to the CSR. As such, JBS states that it has a special interest in seeing that the program is adequately evaluated and that JBS would be uniquely qualified to advise the Commission on its cost and interest in utilizing the program.

Lastly, JBS asserts that the Firm Transportation gas tariff precludes the use of the schedule for generation on a baseload basis and thus forces generation customers
to utilize LG&E-supplied natural gas. JBS states that it opposes this tariff provision and will bring arguments to support language that will allow third-party-supplied natural gas for pre-scheduled generation.

Having reviewed the pleadings and being otherwise sufficiently advised, the Commission finds that JBS has established that it has a special interest in this proceeding that is not otherwise adequately represented by another party to this proceeding. The Commission also finds that JBS’s intervention is likely to present issues and develop facts that will assist the Commission in fully considering the matter without unduly complicating or disrupting the proceedings. Accordingly, we find that JBS should be granted full intervention in this proceeding.

IT IS HEREBY ORDERED that:

1. The motion of JBS to intervene is granted.

2. JBS shall be entitled to the full rights of a party and shall be served with the Commission’s Orders and with filed testimony, exhibits, pleadings, correspondence, and all other documents submitted by parties after the date of this Order.

3. JBS shall comply with all provisions of the Commission’s regulations, 807 KAR 5:001, Section 8, related to the service and electronic filing of documents.

4. Pursuant to 807 KAR 5:001, Section 8(9), within seven days of entry of this Order, JBS shall file a written statement with the Commission that:

   a. Certifies that it, or its agent, possesses the facilities to receive electronic transmissions; and

   b. Sets forth the electronic mail address to which all electronic notices and messages related to this proceeding should be served.