COMMONWEALTH OF KENTUCKY

BEFORE THE PUBLIC SERVICE COMMISSION

In the Matter of:

ELECTRONIC APPLICATION OF KENTUCKY POWER COMPANY FOR (1) A GENERAL ADJUSTMENT OF ITS RATES FOR ELECTRIC SERVICE; (2) AN ORDER APPROVING ITS 2017 ENVIRONMENTAL COMPLIANCE PLAN; (3) AN ORDER APPROVING ITS TARIFFS AND RIDERS; (4) AN ORDER APPROVING ACCOUNTING PRACTICES TO ESTABLISH REGULATORY ASSETS AND LIABILITIES; AND (5) AN ORDER GRANTING ALL OTHER REQUIRED APPROVALS AND RELIEF

CASE NO. 2017-00179

ORDER

This matter arises upon the motion of the Kentucky Commercial Utility Customers ("KCUC") filed July 14, 2017, for full intervention. As a basis for its motion to intervene, KCUC states that it is an association of commercial utility customers in Kentucky. It serves to represent the interests of commercial customers on utility-related issues before the Commission and other regulatory bodies.

On this basis, KCUC has two members, Appalachian Regional Healthcare, Inc., ("ARH") and BPM Lumber, LLC ("BPM"), who claim a direct and substantial interest in the outcome of this proceeding. Both of these members are customers of Kentucky Power Company and will be directly affected by the pending application. KCUC is requesting intervention in lieu of the individual members, claiming that this will promote timely and efficient progress of this proceeding by reducing the burden on other parties and on the Commission. The Commission held a hearing on July 24, 2017, to assist the Commission in reaching a decision on pending motions to intervene. At the July 24, 2017 hearing, the Commission received testimony from representatives of KCUC in support of its request to intervene. Scheduled speaker Tom Abele, one of KCUC's three directors, was unable to attend. Testifying in his place was an associate of Mr. Abele, Ty Vierling.

Mr. Vierling testified that KCUC is a new organization that is seeking to represent larger and smaller commercial utility customers in cases such as this in the same way other organizations represent the interests of industrial customers. Mr. Vierling pointed out to the Commission that there is a large disparity in the national competitiveness of Kentucky's rate classes. He believes that this is in part because there has not been an organized entity representing the group interests for commercial customers.

Based on the motion to intervene and hearing testimony, and being otherwise sufficiently advised, the Commission finds that the only person who has a statutory right to intervene in a Commission case is the Attorney General, pursuant to KRS 367.150(8)(b). Intervention by all others is permissive and is within the sound discretion of the Commission.¹ The Court of Appeals has held that the Commission's discretion to grant or deny a motion for intervention is not unlimited, and has enumerated the limits on the Commission's discretion, with one arising under statute, the other under regulation.² The statutory limitation, KRS 278.040(2), requires that "the person seeking

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¹ Inter-County Rural Electric Cooperative Corporation v. Public Service Commission of Kentucky, 407 S.W.2d 127, 130 (Ky. 1966).

² EnviroPower, LLC v. Public Service Commission of Kentucky, No. 2005-CA-001792-MR, 2007 WL 289328 (Ky. App. Feb. 2, 2007).

intervention must have an interest in the 'rates' or 'service' of a utility, since those are the only two subjects under the jurisdiction of the PSC."³

The regulatory limitation is set forth in 807 KAR 5:001, Section 4(11)(a), which requires a person to demonstrate either (1) a special interest in the proceeding which is not otherwise adequately represented in the case, or (2) that intervention is likely to present issues or develop facts that will assist the Commission in fully considering the matter without unduly complicating or disrupting the proceedings.

In analyzing the pending motion to intervene, we find that KCUC 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. The Commission, being otherwise sufficiently advised, finds that the motion should be granted.

IT IS HEREBY ORDERED that:

1. The motion of KCUC to intervene is granted.

2. KCUC 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. KCUC shall comply with all provisions of the Commission's regulation, 807 KAR 5:001, Section 8, related to the service and electronic filing of documents. 4. KCUC shall adhere to the procedural schedule set forth in the Commission's July 17, 2017 Order and as amended by subsequent Orders.

5. Pursuant to 807 KAR 5:001, Section 8(9), within seven days of entry of this Order, KCUC shall file a written statement, with a copy to parties of record, that:

a. Affirms that its agent possesses the facilities to receive electronic transmissions;

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

By the Commission

ENTERED AUG 0 3 2017 KENTUCKY PUBLIC SERVICE COMM

ATTES Executive Director

Case No. 2017-00179

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