

COMMONWEALTH OF KENTUCKY
BEFORE THE PUBLIC SERVICE COMMISSION

In the Matter of:

A FORMAL REVIEW OF THE CURRENT STATUS)
OF TRIMBLE COUNTY UNIT NO. 1) CASE NO. 9934

O R D E R

On June 11, 1987, an informal conference was held at the Commission's offices to discuss the availability of information to perform this formal review and to develop a procedural schedule to allow for hearings this summer. At the conference Louisville Gas and Electric Company ("LG&E") proposed that a two phase hearing process be employed in this case. The primary reason for the proposal was that revised planning studies and accompanying testimony would not be ready until early September. At the conference the parties agreed to a two phase hearing procedure and to a procedural schedule for the first phase.

It was agreed at the conference that the first phase of hearings should deal with the update to the current construction plan for Trimble County Unit No. 1 and also LG&E's latest load forecast. The following proposed procedural schedule for the first phase was provided by the parties for Commission consideration:

June 30, 1987

LG&E should provide the following information:
1. Revised Construction Plan for Trimble County;
2. December load forecast and narrative on the recent load experience;

3. The updated load forecast report prepared by the Kentucky Joint Committee, if available;

4. The latest estimate of the cost to cancel Trimble County; and

5. The timing of current and projected contractual and financial commitments.

July 10, 1987	Deadline for interrogatories by the parties on the information provided on June 30.
July 24, 1987	Due date for responses to the above interrogatories.
August 7, 1987	Testimony by all parties on the first phase of the proceeding is due.
August 14, 1987	Deadline for interrogatories by the parties on the testimony filed August 7.
August 21, 1987	Due date for responses to the above interrogatories.
August 25, 1987	Hearings for the first phase of the procedures.

Findings and Orders

Since LG&E has been on notice for a year that the Commission planned to continue this review of Trimble County, it was anticipated that a more expedited procedure than proposed by the parties was possible. However, the planning studies and related testimony are crucial to this review and it is necessary for them to be available to proceed. Therefore, the Commission, having considered the matter, is of the opinion and finds that:

1. The two phase procedure proposed by the parties is reasonable and should be utilized for the processing of this case.

2. The procedural schedule for the first phase of this proceeding as proposed by the parties is reasonable and should be adopted.

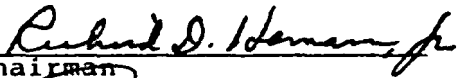
3. A hearing is necessary and should be scheduled for 9:00 a.m., Eastern Daylight Time, on August 25, 1987, at the Commission's offices in Frankfort, Kentucky.

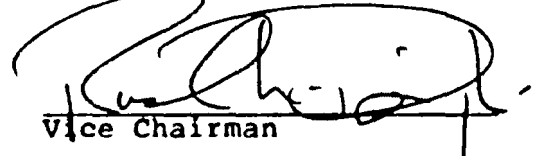
4. LG&E should file its planning studies and related testimony no later than September 10, 1987, and sooner if possible.

Accordingly, the above findings are HEREBY ORDERED.

Done at Frankfort, Kentucky, this 25th day of June, 1987.

PUBLIC SERVICE COMMISSION


Chairman


Vice Chairman


Commissioner

ATTEST:

Executive Director

MEMORANDUM

TO: File in Case No. 9934

FROM: Chuck Buechel
Deputy Executive Director

DATE: June 23, 1987

RE: Minutes from Informal Conference on June 11, 1987

At 1:30 p.m. on June 11, 1987, an informal conference in Case No. 9934 was held in the Commission's first floor conference room. Attached is a list of those in attendance. The purpose of the conference was set out in the Commission's Order of May 27, 1987, in this case. The conference was scheduled to discuss the availability of the information described in the Order and to develop a procedural schedule to allow for hearings by the end of August.

After introductory remarks by each of the parties, the availability of the information was discussed. The first item discussed was Louisville Gas and Electric Company's ("LG&E") current construction plans for Trimble County Unit No. 1. Mr. Royer indicated that the most recent plans could be updated and presented in testimony for this case. He also offered to all parties a tour of the Trimble County site.

The second item discussed was LG&E's current load forecast and recent experience. The forecast was revised in December, 1986. The methodology developed by Stone & Webster and presented in earlier hearings on this matter was used by LG&E for this forecast. LG&E stated that this forecast along with accompanying testimony would be provided. Mr. Abel for Kentucky Industrial Utility Consumers ("KIUC") inquired if any regional analysis was available. LG&E agreed to see if the Kentucky Joint Committee had completed its update of the load forecast for the state's utilities and the state overall. If it was available, LG&E would also provide this report.

The third item discussed was the timing of LG&E's financial commitments as it moved toward completion of the Trimble County Unit. LG&E agreed to provide a list of contractual commitments, recent and projected during the construction. There was considerable discussion about the need to know the timing of any "sunk" costs and the cost to cancel.

The fourth issue discussed was the availability of any updated or additional computer studies. LG&E stated that at this time it felt additional time would be required to verify the computerized planning studies it was performing with the EGEAS and TALARR models. LG&E indicated that it could not have testimony prepared on the planning analyses until early September.

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LG&E then proposed a two phase procedural schedule. The first phase would deal with the update to the current construction plan for Trimble County and the latest load forecast. Hearings on these items could be held by the end of August. The second phase of the procedure would deal specifically with updated planning studies. The studies and testimony could be provided in early September. Upon receipt of this information another informal conference would be convened to develop a procedural schedule for the second phase.

The parties agreed to the following procedural schedule for the first phase of the proceeding:

June 30, 1987	LG&E should provide the following information: 1. Revised Construction Plan for Trimble County; 2. December load forecast and narrative on the recent load experience; 3. The updated load forecast report prepared by the Kentucky Joint Committee, if available; 4. The latest estimate of the cost to cancel Trimble County; and 5. The timing of current and projected contractual and financial commitments.
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Mr. Buechel agreed to present the proposed procedures and schedule to the Commission for its review.

**CASE NO. 9934
LOUISVILLE GAS AND ELECTRIC COMPANY
INFORMAL CONFERENCE
JUNE 11, 1987**

<u>NAME</u>	<u>REPRESENTING</u>
F. Bruce Abel	KIUC (Steer, Strauss)
Michael L. Kurtz	KIUC (Steer, Strauss)
O. Grant Bruton	LG&E (Attorney)
Pam Johnson	Attorney General's Office
Paul E. Reilender, Jr.	Attorney General's Office
Tony Martin	Kentucky Legal Services (Observer)
Wade Hendricks	BTH (Observer)
David Kinloch	Paddlewheel Alliance
R. E. Lyon	LG&E
Fred Wright	LG&E
J. R. Nelson	LG&E
R. L. Royer	LG&E
Nelson Duncan	PSC Engineering
M. J. Fisher	PSC Engineering
Jack Underwood	Jefferson County
Chuck Buechel	PSC
D. Michael Long	PSC
Michael D. Alexander	PSC