

COMMONWEALTH OF KENTUCKY
BEFORE THE PUBLIC SERVICE COMMISSION

In the Matter of:

A CONTRACT FILING BETWEEN LOUISVILLE)	
GAS AND ELECTRIC COMPANY AND THE)	CASE NO. 90-427
MEDICAL CENTER COMMISSION OF JEFFERSON)	
COUNTY)	

O R D E R

IT IS ORDERED that Louisville Gas and Electric Company ("LG&E") shall file the original and 12 copies of the following information with the Commission, with a copy to all parties of record, on or before April 5, 1991. Each item of the data requested should be tabbed and numbered. When several sheets are required for an item, each sheet should be appropriately indexed, for example, Item 1(a), Sheet 2 of 6. Include with each response the name of the person who will be responsible for responding to questions relating to the information provided. Careful attention should be given to copied material to ensure that it is legible.

1. Item 4 of the response to the Commission's Order of February 11, 1991 shows that, for the years 1988 through 1990, the proposed agreement would have saved the Medical Center \$41,000, or approximately 1.4 percent on its electric costs.

a. Provide a detailed narrative explanation of how a minimal savings of this magnitude benefits the Medical Center in a manner commensurate with its agreement to defer, for at least two years, the installation of its own generating capacity.

b. Explain, in detail, the advantages and disadvantages of the proposed agreement, for LG&E, for the Medical Center, and for LG&E's remaining customers, compared to operating under the terms of the LP-TOD tariff presently in effect.

2. Item 5 of the response to the Commission's February 11, 1991 Order discusses the installation of generation capacity by the Medical Center to coincide with LG&E's capacity needs.

a. If, as indicated, LG&E needs peaking capacity in 1994, explain how the proposed agreement will impact LG&E's ability to meet that need.

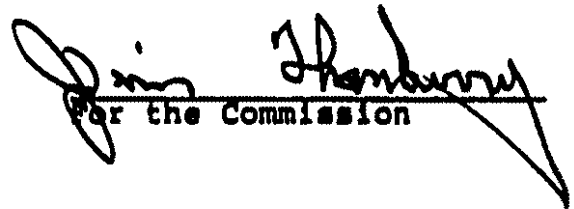
b. Describe fully how LG&E plans to incorporate the Medical Center's generation capacity into its future resource mix.

c. Explain how the prohibition on self-generation imposed on the Medical Center, as shown in paragraph 3 of the proposed agreement, is consistent with LG&E's current capacity expansion plan.

3. Item 6 of the response to the previous Order states that "the automatic extension provision in paragraph no. 8 of the agreement provides the flexibility to implement this DSM option to coincide with any change in LG&E system needs." Explain whether LG&E is referring to the installation of capacity by the Medical Center as a DSM option, rather than a supply side option, or whether it is referring to another DSM option concerning the Medical Center.

Done at Frankfort, Kentucky, this 25th day of March, 1991.

PUBLIC SERVICE COMMISSION


for the Commission

ATTEST:



Executive Director