

COMMONWEALTH OF KENTUCKY
BEFORE THE PUBLIC SERVICE COMMISSION

In the Matter of:

AN ADJUSTMENT OF GAS AND ELECTRIC RATES)
FOR LOUISVILLE GAS AND ELECTRIC COMPANY) CASE NO. 91-038

O R D E R

On March 4, 1991, the Louisville Gas and Electric Company ("LG&E") filed a motion requesting that the rate application to be filed in this case be treated as an application for a nonrecurring charge, rather than a general rate case, and on that the Commission should set aside its February 21, 1991 information request. In support of its motion, LG&E states that its February 5, 1991 Notice of Intent to File a Rate Case was intended to give notice of a limited, nonrecurring rate adjustment, not a general rate increase. This limited, nonrecurring rate adjustment, in the form of a surcharge, will be designed to recover only the \$11 million plus interest which was refunded by LG&E pursuant to the terms of a settlement agreement approved by the Commission in Case No. 10320.¹ LG&E states that it intends to recoup the amounts previously refunded due to the decision of the Franklin Circuit Court which vacated and set aside the Commission's approval of the settlement agreement.

¹ Case No. 10320, An Investigation of Electric Rates of Louisville Gas and Electric Company to Implement a 25 Percent Disallowance of Trimble County Unit No. 1.

LG&E's motion indicates that on February 5, 1991 it filed both its Notice of Intent to File a Rate Case with the Commission as well as a notice of appeal from the Franklin Circuit Court's decision. The Commission notes that, as a party to that litigation, the Commission also filed a notice of appeal. During the pendency of the Commission's appeal, enforcement of the circuit court's judgment is stayed. Further, the Commission finds that preserving the status quo until the issuance of a final, nonappealable judicial decision is in the best interest of both LG&E and its ratepayers. It would be extremely inefficient, in terms of administrative time and expense for all concerned, to authorize LG&E to file an application for a limited, nonrecurring rate adjustment to recover the \$11 million refunded pursuant to Case No. 10320 when the Commission's Order in that case may ultimately be affirmed.


IT IS THEREFORE ORDERED that:

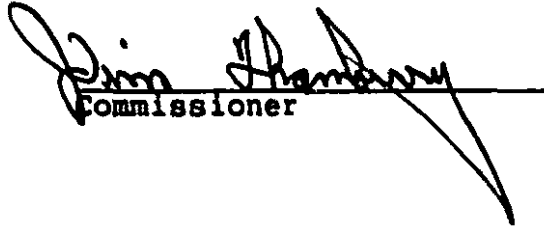
1. LG&E's motion to file a rate application for a limited, nonrecurring rate adjustment to recover the \$11 million refunded pursuant to Case No. 10320 be and it hereby is denied.
2. The Commission's February 21, 1991 Order requesting information be and it hereby is rescinded.
3. This case be and it hereby is terminated.

Done at Frankfort, Kentucky, this 4th day of April, 1991.

PUBLIC SERVICE COMMISSION


Chairman


Vice Chairman


Commissioner

ATTEST:


Executive Director