

COMMONWEALTH OF KENTUCKY
BEFORE THE PUBLIC SERVICE COMMISSION

In the Matter of:

APPLICATION OF KENTUCKY UTILITIES COMPANY)
FOR A CERTIFICATE OF CONVENIENCE AND)
NECESSITY AND A CERTIFICATE OF ENVIRONMENTAL)
COMPATIBILITY TO CONSTRUCT FOUR 75 MEGAWATT)
COMBUSTION TURBINE PEAKING UNITS AND)
ASSOCIATED FACILITIES SCHEDULED FOR) CASE NO. 91-115
COMPLETION IN 1994 AND 1995, RESPECTIVELY,)
TO BE LOCATED AT THE COMPANY'S E. W. BROWN)
GENERATING STATION IN MERCER COUNTY,)
KENTUCKY)

O R D E R

On December 6, 1991, the Commission entered an Interim Order requiring Kentucky Utilities Company ("KU") to supplement the record by filing, inter alia, a comparison of the costs it would incur in siting 300 megawatts of peaking capacity, in the form of combustion turbines ("CTs"), at either KU's E. W. Brown generating station ("Brown") or at Trapp, Kentucky, on a site owned by East Kentucky Power Cooperative, Inc. ("East Kentucky"). This comparison was to include the results of a joint analysis, to be performed by KU and East Kentucky, of KU's share of the costs to develop the Trapp site jointly with East Kentucky.

On December 13, 1991, the Attorney General's Utility and Rate Intervention Division ("AG") filed a motion to clarify the Interim Order of December 6, 1991. The AG requests clarification to assure that the supplemental information filed by KU is sufficient to properly analyze the two sites and to expedite a final decision

in this case. The AG makes two specific requests: (1) that the comparison of the two sites include the cost of making natural gas available as the primary fuel at both sites; and (2) that the comparison include an equally detailed cost breakdown for the Brown site as was required for the Trapp site.

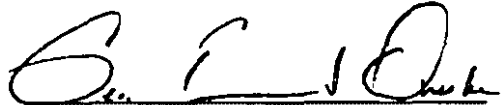
The Commission's intent in entering the Interim Order was to obtain a detailed cost comparison of the two sites. Such a comparison should include the items addressed in the AG's motion.¹ Therefore, the Commission will clarify its December 6, 1991 Interim Order to provide that KU should file a detailed cost comparison of both the Brown and the Trapp sites to include all costs necessary to evaluate both sites using the same primary fuel source, be it natural gas or oil.

IT IS THEREFORE ORDERED that the Commission's December 6, 1991 Interim Order be and it hereby is clarified to provide that KU shall file equally detailed costs analyses for both the Brown and Trapp sites including the costs necessary to use either natural gas or oil as the primary fuel source for operation of the planned CTs.

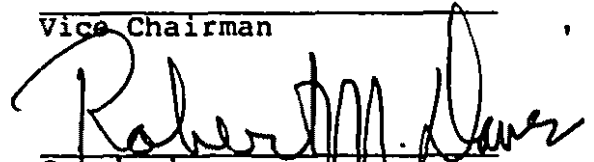
¹ KU's Summary of CT Bids, filed December 2, 1991 indicates it has the detailed information for the Brown site.

Done at Frankfort, Kentucky, this 19th day December, 1991.

PUBLIC SERVICE COMMISSION


Chairman

Vice Chairman


Commissioner

ATTEST:


Executive Director