

COMMONWEALTH OF KENTUCKY
BEFORE THE PUBLIC SERVICE COMMISSION

In the Matter of:

THE JOINT APPLICATION FOR THE APPROVAL)
OF DEMAND-SIDE MANAGEMENT PROGRAMS, A)
DSM COST RECOVERY MECHANISM, AND A) CASE NO. 93-150
CONTINUING COLLABORATIVE PROCESS ON DSM)
FOR LOUISVILLE GAS AND ELECTRIC COMPANY)

O R D E R

By Order dated November 12, 1993, the Commission approved new tariffs to implement the experimental demand-side management ("DSM") plan of Louisville Gas and Electric Company ("LG&E"). The tariffs included, among other things, an energy conservation rate ("ECR") for low-income customers and were designated to be effective upon approval. By Order dated December 22, 1993, the Commission approved an extension of the effective date of the ECR tariff to June 3, 1994, to allow for the implementation of LG&E's new customer information system and to provide adequate time for preparing lists of eligible customers.

On May 6, 1994, LG&E, the Office of the Attorney General, Jefferson County, Metro Human Needs Alliance, People Organized and Working for Energy Reform, Kentucky Industrial Utility Consumers, Louisville Resource Conservation Council, and Louisville and Jefferson County Community Action Agency (collectively, "Joint Applicants") filed a motion requesting that the effective date of the ECR tariff be extended to October 4, 1994. The Joint Applicants state that it has become apparent that implementing the ECR at the start of LG&E's summer billing period, when electric

consumption and bills typically increase, will cause customer confusion and dissatisfaction. The Joint Applicants contend that delaying the implementation of the ECR until October 4, 1994, the end of LG&E's summer billing period, would avoid such potential problems.

The Joint Applicants also request that the ECR remain in effect for three years commencing with this most recent effective date, as agreed to by the Joint Applicants in their DSM agreement. The Joint Applicants requested, as an alternative, that LG&E be permitted to offer the ECR through October 4, 1997, or until the conclusion of the Commission's three-year review proceeding, whichever is later.

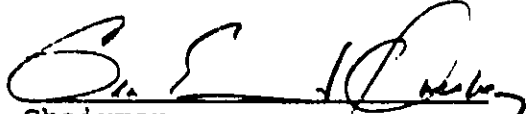
The Commission, having considered the motion and being otherwise sufficiently advised, finds that the request is reasonable and will not unduly complicate our annual review of LG&E's DSM plan.

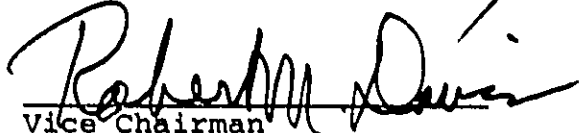
IT IS THEREFORE ORDERED that:

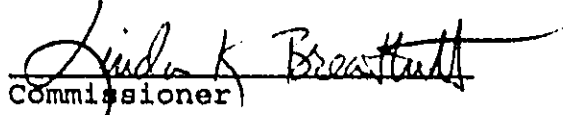
1. The effective date of the Energy Conservation Rate shall be extended to October 4, 1994.
2. LG&E shall be allowed to offer the Energy Conservation Rate for three years through October 4, 1997.

Done at Frankfort, Kentucky, this 19th day of May, 1994.

PUBLIC SERVICE COMMISSION


Chairman


Vice Chairman


Commissioner

ATTEST:


Executive Director