

COMMONWEALTH OF KENTUCKY
BEFORE THE PUBLIC SERVICE COMMISSION

In the Matter of:

AN EXAMINATION BY THE PUBLIC SERVICE)	
COMMISSION OF THE ENVIRONMENTAL)	
SURCHARGE MECHANISM OF LOUISVILLE)	CASE NO. 95-455
GAS AND ELECTRIC COMPANY AS BILLED)	
FROM MAY 1, 1995 TO OCTOBER 31, 1995)	

O R D E R

IT IS ORDERED that Louisville Gas and Electric Company ("LG&E") shall file an original and 10 copies of the following information with this Commission, with a copy to all parties of record. Each copy of the data requested should be placed in a bound volume with each item tabbed. When a number of 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 witness 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. The information requested herein is due no later than November 20, 1995.

1. Refer to the response to Item 1 of the October 17, 1995 Order, page 3 of 6.

a. The review period for this proceeding covers environmental surcharges billed from May 1, 1995 through October 31, 1995. ES Form 4.0 only provides information through August 1995. Columns 3 through 8 of that form should have shown

information for September and October. Provide a revised ES Form 4.0 which includes financial information for September and October for columns 3 through 8.

b. The revenues shown on ES Form 4.0, column 6, do not agree with the amounts reported on ES Form 3.0, Monthly Average Revenue Computation R(m), column 9, for the months of May through August. Reconcile the differences and indicate the correct amounts. Perform these same steps if this difference in ES Form 4.0, column 6, also exists in the information requested in part (a) for September and October.

2. Prepare ES Form 4.0, using the format included in Appendix B of the Commission's Order in Case No. 94-332.¹ Include the expense months of March through August and the billing months of May through October. Compute the amounts shown in column 9 by dividing column 3 by column 6 and multiplying the result by column 8.

3. Prepare a schedule showing the actual environmental surcharge amounts billed during the review period.

4. The Total Company over or under recovery amounts shown on ES Form 4.0 (Item 1, page 3 of 6) are based on the difference between what surcharge revenues should have been and the gross environmental surcharge revenue requirement.

¹ Case No. 94-332, The Application of Louisville Gas and Electric Company for Approval of Compliance Plan and to Assess a Surcharge Pursuant to KRS 278.183 to Recover Costs of Compliance with Environmental Requirements for Coal Combustion Wastes and By-Products, final Order dated April 6, 1995.

a. Explain why the amount of over or under recovery should be based on the difference between what surcharge revenues should have been and the gross environmental surcharge revenue requirement.

b. Should the amount of over or under recovery reflect the difference between what surcharge revenues should have been and the actual surcharge revenues billed? Explain.

c. Prepare a schedule for the billing months of May through October which reflects the difference between what the surcharge revenues should have been and the actual surcharge revenues.

Done at Frankfort, Kentucky, this 10th day of November, 1995.

PUBLIC SERVICE COMMISSION


For the Commission

ATTEST:


Executive Director