

COMMONWEALTH OF KENTUCKY
BEFORE THE PUBLIC SERVICE COMMISSION

In the Matter of:

AN EXAMINATION BY THE PUBLIC SERVICE)
COMMISSION OF THE APPLICATION OF THE)
FUEL ADJUSTMENT CLAUSE OF KENTUCKY) CASE NO. 94-461
UTILITIES COMPANY FROM NOVEMBER 1,)
1992 TO OCTOBER 31, 1994)

O R D E R

IT IS ORDERED that Kentucky Utilities Company ("KU") shall file an original and five copies of the following information with the 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 numerous 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 respond to questions relating to the information provided. Careful attention shall be given to copied material to ensure its legibility. The response to this request is due no later than 14 days after the date of this Order.

1. a. Does KU operate and maintain a belt scale at its Ghent Plant to weigh coal?

b. If yes, (1) what cost, if any, does KU incur on a recurring basis for the calibration and testing of this scale?

(2) To what accounts does KU normally charge these costs?

2. a. What costs, if any, did KU incur in calendar year 1993 for the calibration and testing of this scale?

b. Provide the invoice or other document which evidenced these costs.

- c. When did KU incur these costs?
- d. When did KU make payment for these costs?
- e. Provide the accounting entries used to record each transaction.

3. If any of KU's costs for testing or calibrating the belt scale in 1993 were booked to Account 151, Fuel:

- a. Why were such costs booked to that account?
- b. When were such costs booked to that account?
- c. When were such costs passed on to KU's ratepayers through KU's fuel adjustment clause? Identify the specific months when these costs appeared in the customer's fuel charge.

d. How much of these costs were passed on to KU's ratepayers through KU's fuel adjustment clause? How much of these costs were passed on to KU's Kentucky retail customers?

e. (1) Was the booking of such costs consistent with the Federal Energy Regulatory Commission's Uniform System of Accounts for Public Utilities and Licensees?

(2) If yes, explain why.

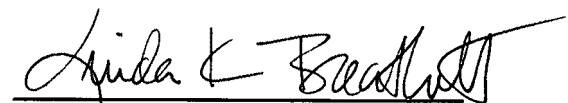
(3) If no, state the corrective actions which KU intends to take and when it expects to take these actions.

Done at Frankfort, Kentucky, this 3rd day of January, 1997.

ATTEST:

PUBLIC SERVICE COMMISSION


Executive Director


For the Commission