COMMONWEALTH OF KENTUCKY

BEFORE THE PUBLIC SERVICE COMMISSION

In the Matter of:

THE INTEGRATED RESOURCE PLANS OF LOUISVILLE GAS AND ELECTRIC COMPANY AND KENTUCKY UTILITIES COMPANY

CASE NO. 98-396

<u>ORDER</u>

This matter comes before the Commission on the joint application of Louisville Gas and Electric Company ("LG&E") and Kentucky Utilities Company ("KU") requesting revisions to the schedule set forth in 807 KAR 5:058 governing the filing of Integrated Resource Plans ("IRPs") by the major electric utilities under the jurisdiction of the Commission. Specifically, the application requests that LG&E and KU be permitted to submit a joint IRP on October 21, 1999, rather than file separate IRPs in October 1998 and April 1999, respectively, as called for in the regulation.

In support of the application, LG&E and KU state that with the recent merger of their parent companies, LG&E Energy Corp. and KU Energy Corporation, the two utilities have commenced joint planning of generation and transmission resources that will result in the preparation of one combined IRP rather than separate IRPs for each company. LG&E and KU indicate that the first combined IRP will require extensive time and effort on the part of both companies in order to resolve joint modeling issues and

that adequate resolution of these issues necessitates the change in the existing IRP filing schedule.

The Attorney General ("AG") opined that changing the existing schedule, to allow for filing a joint IRP in April 1999, was appropriate, but that a delay until October 1999 was unduly long for LG&E which last filed an IRP in 1993.

An informal conference was held on September 18, 1998, to discuss the merits of LG&E's and KU's request, the AG's objection, and the Commission's current initiative to obtain load forecast and resource planning data from the state's major electric utilities as part of a review of the capacity shortages experienced by some utilities during late June and early July of this year. The Commission believes that the information obtained through this review will disclose LG&E's and KU's planning during the period prior to October 21, 1999, and that this information should address the AG's concerns about changing the filing schedule.

IT IS THEREFORE ORDERED that LG&E's and KU's request to modify the existing IRP filing schedule, and to file a joint IRP on October 21, 1999, be and it hereby is granted.

Done at Frankfort, Kentucky, this 9th day of October, 1998.

PUBLIC SERVICE COMMISSION

ice Chairman

ATTE

Commissioner