

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 THE	)	CASE NO. 2000-00497-B
KENTUCKY UTILITIES COMPANY FROM	)	
MAY 1, 2001 TO OCTOBER 31, 2001	)	

ORDER

On February 19, 2002, the Commission conducted a public hearing in this matter to examine the operation of the fuel adjustment clause of Kentucky Utilities Company ( KU ) from May 1, 2001 to October 31, 2001. After careful review of the transcript of that hearing and in light of testimony that KU officials presented in another forum, the Commission finds that additional inquiry into KU s coal procurement practices during the review period is necessary.

IT IS THEREFORE ORDERED that:

1. A hearing on KU s fuel procurement practices during the period from May 1, 2001 to October 31, 2001 shall be held on June 28, 2002, beginning at 9:00 a.m., Eastern Daylight Time, at the Commission s offices at 211 Sower Boulevard, Frankfort, Kentucky.

2. KU shall give notice of the hearing in accordance with Administrative Regulation 807 KAR 5:011, Section 8(5). At the time publication is requested, KU shall forward a copy of the notice and its request to the Commission.

3. At the scheduled hearing in this matter, neither opening statements nor summarization of direct testimony shall be permitted. KU may present rebuttal testimony to any testimony offered by an Intervenor witness.

4. The procedural schedule set forth in Appendix A to this Order shall be followed.

5. The written direct testimony of KU's witnesses shall address, inter alia, the following issues:

a. The reasonableness of KU's fuel procurement practices during the review period.

b. KU's purchase of coal from affiliated entities.

c. KU's rules and internal policies in effect during the review period that govern KU's purchase of coal from affiliated entities.

d. Coal suppliers' adherence to contract delivery schedules during the review period.

e. KU's efforts to ensure coal suppliers' adherence to contract delivery schedules during the review period.

f. KU's efforts to maintain the adequacy of its coal supplies in light of any coal supplier's inability or unwillingness to make contract coal deliveries.

6. When KU or any other party files testimony in this proceeding, it shall file an original and 8 copies of that testimony. The original and at least 3 copies of the testimony shall:

a. Be filed together with cover letter listing each person presenting testimony.

b. Be bound in 3-ring binders or with any other fastener that readily opens and closes to facilitate easy copying.

c. Be tabbed to easily indicate the location of each witness's testimony.

d. Have every exhibit to each witness's testimony appropriately marked.

7. All interrogatories and requests for production of documents shall be appropriately indexed. All responses shall include the name of the witness who will be responsible for responding to the questions related to the information provided.

8. Service of any document or pleading shall be made in accordance with Administrative Regulation 807 KAR 5:001, Section 3(7), and Kentucky Civil Rule 5.02.

9. All documents that the Commission requires any party to file with the Commission shall also be served upon all parties of record at or before the time of filing.

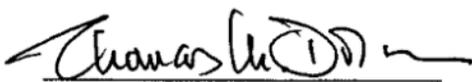
10. All parties shall respond to any interrogatories and requests for production of documents that Commission Staff submits in accordance with the procedural schedule set forth in Appendix A.

11. Motions for extensions of time with respect to the schedule herein shall be made in writing and will be granted only upon a showing of good cause.

Done at Frankfort, Kentucky, this 9<sup>th</sup> day of April, 2002.

By the Commission

ATTEST:

  
Executive Director

APPENDIX A

AN APPENDIX TO AN ORDER OF THE KENTUCKY PUBLIC SERVICE  
COMMISSION IN CASE NO. 2000-00497-B DATED April 9, 2002

KU shall file the direct testimony of its witnesses  
in verified prepared form no later than..... 04/22/2002

Intervenors and Commission Staff may serve interrogatories  
and requests for production of documents upon KU no later than ..... 05/03/2002

KU shall file with the Commission and serve upon all parties of record  
responses to interrogatories and requests for production of documents  
no later than ..... 05/17/2002

Intervenors and Commission Staff may serve supplemental interrogatories  
and requests for production of documents upon KU no later than ..... 05/31/2002

KU shall file with the Commission and serve upon all parties of record  
responses to supplemental interrogatories and requests for production of  
documents no later than..... 06/14/2002

Last day for KU to publish notice of hearing date ..... 06/21/2002

Intervenors testimony, if any, shall be filed in  
verified prepared form no later than ..... 06/24/2002

Public Hearing is to begin at 9:00 a.m., Eastern  
Daylight Time, in Hearing Room 1 of the Commission s  
offices at 211 Sower Boulevard, Frankfort, Kentucky,  
for the purpose of cross-examination of witnesses ..... 06/28/2002