

COMMONWEALTH OF KENTUCKY  
BEFORE THE PUBLIC SERVICE COMMISSION

In the Matter of:

AN EXAMINATION OF THE APPLICATION OF )  
THE FUEL ADJUSTMENT CLAUSE OF )  
KENTUCKY UTILITIES COMPANY FROM ) CASE NO. 2004-00213  
NOVEMBER 1, 2003 TO APRIL 30, 2004 )

COMMISSION STAFF'S INTERROGATORIES AND REQUESTS FOR  
PRODUCTION OF DOCUMENTS TO KENTUCKY UTILITIES COMPANY

Pursuant to Administrative Regulation 807 KAR 5:001, Commission Staff requests that Kentucky Utilities Company ("KU") file the original and 5 copies of the following information with the Commission within 14 days of the date of this request, with a copy to all parties of record. Each copy of the information requested shall 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 shall be given to copied material to ensure its legibility. When the requested information has been previously provided in this proceeding in the requested format, reference may be made to the specific location of that information in responding to this request.

1. Refer to Item 5 of the response to the Commission's June 23, 2004 Order.
  - a. The response includes several references to tube leaks being the cause of outages at various units. Provide a comparison of the number and duration of

outages due to tube leaks during the current six-month review period with the number and duration of outages due to tube leaks in each of the two previous review periods.

b. On page 4 of the response, outages are listed for E.W. Brown Unit CT 5 in January and February 2004 due to inadequate heating in the deluge building.

(1) Explain whether the heating problem has been corrected.

(2) If the heating problem has not been corrected, explain how and when KU plans to correct the problem.

c. On page 5 of the response, several hours of scheduled outages are listed to ready the unit for fuel oil commissioning.

(1) Explain whether the work was completed and, if so, if the unit is now being fueled by oil rather than by natural gas.

(2) Explain why the unit was converted from gas to oil. If the conversion was based on economics, explain why only one unit was converted.

2. Refer to Item 6 of the response to the June 23, 2004 Order.

a. On page 4 of the response, the contract with Argus Energy is shown as complete. Explain why only 34 percent of the contract coal requirement for 2003 was actually received.

b. There are 8 contracts that are due to expire during the remainder of 2004. Explain KU's plans for replacing the tonnage lost due to the expiration of these contracts.

3. Refer to Item 7 of the response to the June 23, 2004 Order. In the response, it is noted that several of the utilities in the price comparison group are able to utilize greater amounts of lower cost compliance coal from the Powder River Basin ("PRB") than can be utilized by KU. The response further states, "KU's ability to utilize PRB coal is limited due to operational constraints at its generating facilities."

a. Provide a narrative description of the operational restraints referenced in the response.

b. Explain whether KU has conducted a cost/benefit study or similar analysis of the feasibility of making the necessary changes to alleviate these operational restraints. If such a study has been conducted, provide the results of the study.



Beth O'Donnell  
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DATED: August 6, 2004

cc: Parties of Record