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January 20, 2005

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JAN 2 0 2005

PUBLIC SERVICE COMMISSION

Elizabeth O'Donnell
Executive Director
Kentucky Public Service Commission
211 Sower Boulevard
Frankfort, Kentucky 40601

Case 2005-00037

RE: <u>In the Matter of: The Request by Louisville Gas and Electric Company and Kentucky Utilities Company for a Deviation, Pursuant to 807 KAR 5:058</u>
<u>Section 2(1)(c), From the Scheduled Filing of Their 2005 Integrated Resource</u>

<u>Plan</u>

Dear Ms. O'Donnell:

Enclosed please find and accept for filing the original and ten copies of Louisville Gas and Electric Company's and Kentucky Utilities Company's Application by Petition for a Deviation From the Scheduled Filing of Their 2005 Integrated Resource Plan in the above-referenced matter. Please confirm your receipt of this filing by placing the stamp of your Office with the date received on the enclosed additional copies and return them to me in the enclosed self-addressed stamped envelope.

Should you have any questions or need any additional information, please contact me at your convenience.

Very truly yours,

Kendrick R. Riggs

KRR/ec Enclosures

cc:

Elizabeth E. Blackford

Michael L. Kurtz

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COMMONWEALTH OF KENTUCKY

BEFORE THE PUBLIC SERVICE COMMISSION

JAN 2 0 2005
PUBLIC SERVICE
COMMISSION

In the Matter of:

THE REQUEST BY LOUISVILLE GAS AND ELECTRIC)	
COMPANY AND KENTUCKY UTILITIES COMPANY)	
FOR A DEVIATION, PURSUANT TO 807 KAR 5:058)	CASE NO.
SECTION 2(1)(c), FROM THE SCHEDULED FILING)	2005 - <u>00037</u>
OF THEIR 2005 INTEGRATED RESOURCE PLAN)	

APPLICATION BY PETITION OF LOUISVILLE GAS AND ELECTRIC COMPANY AND KENTUCKY UTILITIES COMPANY FOR A DEVIATION FROM THE SCHEDULED FILING OF THEIR 2005 INTEGRATED RESOURCE PLAN PURSUANT TO 807 KAR 5:058, SECTION 2(1)(C)

Louisville Gas and Electric Company ("LG&E") and Kentucky Utilities Company ("KU") (collectively the "Companies" or "Applicants"), pursuant to 807 KAR 5:058, Section 2(1)(c), hereby apply to the Kentucky Public Service Commission ("Commission") for a deviation from the scheduled filing of their 2005 Integrated Resource Plan ("IRP"). In support of this Application by Petition, the Companies state as follows:

- 1. Address. LG&E's full name and business address is: Louisville Gas and Electric Company, 220 West Main Street, Louisville, Kentucky 40202. KU's full name and business address is: Kentucky Utilities Company, One Quality Street, Lexington, Kentucky 40507. The mailing address for both Applicants is: P.O. Box 32010, Louisville, Kentucky 40232.
- 2. Articles of Incorporation. Certified copies of LG&E's and KU's Articles of Incorporation are already on file with the Commission in *In the Matter of: Joint Application of E.ON AG, PowerGen plc, LG&E Energy Corp., Louisville Gas and Electric Company and Kentucky Utilities Company for Approval of an Acquisition*, Case No. 2001-104, and are incorporated herein by reference pursuant to 807 KAR 5:001, Section 8(3).
- 3. The Commission originally promulgated 807 KAR 5:058, its Integrated Resource Planning regulation, prior to the merger of the parent companies of LG&E and KU. Initially,

each electric utility was required to file its IRP biennially in September, October, or November. KU filed IRPs in October of 1991 and 1993 and LG&E filed IRPs in November of 1991 and 1993. In 1995, the Commission modified the IRP regulation to lengthen the time between filings to three years and to create a staggered schedule by which one IRP would be filed by a different electric utility every six months. Under the revised schedule, KU was required to file an IRP in April of 1996, which it did in Case No. 96-173. LG&E, on the other hand, was not required to file another IRP until October of 1998.

- 4. Following the consummation of the merger of the parent companies of LG&E and KU in 1998, the two utilities requested that they be permitted to submit a joint IRP on October 21, 1999, rather than file separate IRPs in October, 1998 and April, 1999, respectively. The Commission agreed, and granted LG&E's and KU's request on October 9, 1998. *In the Matter of: The Integrated Resource Plans of Louisville Gas and Electric Company and Kentucky Utilities Company*, Case No. 98-396. Following another short extension, LG&E's and KU's joint IRP was then filed on November 22, 1999.
- 5. For their 2002 IRP filing, LG&E and KU once again requested a deviation of the IRP filing schedule to permit them to file their Joint IRP by October 1, 2002, rather than in April, 2002. The Commission again granted this request. In the Matter of: The Request by Louisville Gas and Electric Company and Kentucky Utilities Company for a Deviation, Pursuant to 07 KAR 5:058 Section (2)(1)(c), from the Scheduled Filing of their 2002 Integrated Resource Plan, Case No. 2001-431 (Order of January 9, 2002).
- 6. LG&E and KU now petition the Commission, pursuant to 807 KAR 5:058, Section 2(1)(c), for a change to the IRP filing schedule that would be applied not only for the upcoming 2005 IRP filing, but also for IRP filings made in the future. Pursuant to this Petition,

¹ In the Matter of: The Joint Integrated Resource Plan of Louisville Gas and Electric Company and Kentucky Utilities Company, Case No. 99-430, Order of October 22, 1999.

LG&E and KU request that they be permitted to file Joint IRPs every three years, beginning April 21, 2005. As noted in their last two IRP filings, LG&E and KU perform joint planning of their generation and transmission resources. As a result, the continued filing of joint IRPs will prevent the Commission from having to perform unnecessary and duplicative reviews. In addition, the use of the April 2005 date will allow LG&E and KU to follow the IRP-filing schedule previously established for KU under 807 KAR 5:058, Section 2(1)(a)(1), and will not require the Commission to consider more than one IRP filing during the same six-month period.

WHEREFORE, Louisville Gas and Electric Company and Kentucky Utilities Company respectfully request that the Commission issue an order granting a permanent deviation for good cause shown from the filing schedule of 807 KAR 5:058, Section 2(1)(c), for the reasons set out above.

Dated: January 20, 2005

Respectfully submitted,

Kendrick R. Riggs

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Counsel for Louisville Gas and Electric Company and Kentucky Utilities Company

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CERTIFICATE OF SERVICE

I hereby certify that a true copy of the foregoing Motion for Deviation was served via U.S. mail, first-class, postage prepaid, this 20th day of January 2005, upon the following persons:

Elizabeth E. Blackford Assistant Attorney General Office of the Attorney General Office of Rate Intervention 1024 Capital Center Drive, Suite 200 Frankfort, Kentucky 40601-8204

Michael L. Kurtz Boehm, Kurtz & Lowry 36 East Seventh Street, Suite 1510 Cincinnati, Ohio 45202

> Coursel for Louisville Gas and Electric Company and Kentucky Utilities Company