

COMMONWEALTH OF KENTUCKY
BEFORE THE PUBLIC SERVICE COMMISSION

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In the Matter of:

GENERAL ADJUSTMENT IN ELECTRIC)
AND GAS RATES OF THE LOUISVILLE) CASE NO. 8616
GAS AND ELECTRIC COMPANY)

ORDER APPROVING SURCHARGE

On March 2, 1983, the Commission issued its Order in the above-captioned case which approved new rates for Louisville Gas and Electric Company ("LG&E"). LG&E appealed the PSC'S Order to the Franklin Circuit Court. This case was subsequently settled by the parties, and on February 23, 1984, the Franklin Circuit Court issued an order dismissing the appeal and remanding the case back to the Commission with the following instructions:

1. The within proceedings are hereby remanded to the Commission, with instructions that the Commission shall authorize the Company to impose a surcharge designed to recover \$2,335,000 over a 12-month period. 75% of said sum shall be recovered as a surcharge on electric bills, and it is to be measured by Kilowatt Hours ("KWH") sold. 25% of said sum shall be recovered as a surcharge on gas bills, and it is to be measured by hundreds of cubic feet sold. Said surcharge shall commence on the date the new rates prescribed by the Commission's Order in Case No. 8924 go into effect. Nothing in said Order shall have the effect of diminishing the aforesaid sum to be recovered by surcharge or of depriving LG&E of the full benefit thereof.

On April 25, 1984, LG&E filed a proposed tariff to implement this surcharge. The Commission has reviewed this tariff and finds that it is consistent with the terms of the settlement as set forth in the circuit court's order. Accordingly, the surcharge as set forth in Appendix A attached to this Order is fair, just and reasonable and should be approved.

IT IS THEREFORE ORDERED that the surcharge set forth in Appendix A be and it hereby is approved for service rendered on and after May 14, 1984.


IT IS FURTHER ORDERED that LG&E shall apply the surcharge beginning on May 14, 1984, and remaining in effect for a 12-month period so that the total amount received will, as nearly as possible, reflect the \$2,335,000 amount to be recovered.

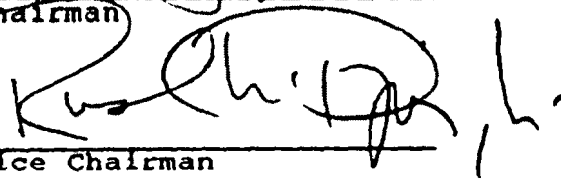
IT IS FURTHER ORDERED that within 30 days from the date the surcharge is terminated LG&E shall file with this Commission a summary statement showing a reconciliation of customer billings and the amount to be recovered.


IT IS FURTHER ORDERED that within 30 days from the date of this Order LG&E shall file its revised tariff sheets setting out the rates approved herein.

Done at Frankfort, Kentucky, this 14th day of May, 1984.

PUBLIC SERVICE COMMISSION


Chairman


Vice Chairman


Commissioner

ATTEST:

Secretary

APPENDIX A

APPENDIX TO AN ORDER OF THE PUBLIC SERVICE
COMMISSION IN CASE NO. 8616 DATED MAY 14, 1984

The following rates and charges are prescribed for the customers served by Louisville Gas and Electric Company. All other rates and charges not specifically mentioned herein shall remain the same as those in effect under authority of this Commission prior to the date of this Order.

Electric Service
Surcharge To Recoup Revenue Deficiency From Case No. 8616

Applicable:

To all electric rate schedules.

Surcharge:

Beginning May 14, 1984, and continuing for a period of twelve months or until Company has fully recouped its revenue deficiency from Case No. 8616, a surcharge of 0.023¢ per Kwh will be applied to all kilowatt-hours sold.

Showings on Customer Bills:

For purposes of showing on customer bills, the charge provided for herein shall be combined with the then effective Fuel Clause.

Gas Service
Surcharge To Recoup Revenue Deficiency From Case No. 8616

Applicable:

To all gas rate schedules.

Surcharge:

Beginning May 14, 1984, and continuing for a period of twelve months or until Company has fully recouped its revenue deficiency from Case No. 8616, a surcharge of 0.125¢ per 100 cubic feet will be applied to all gas sold.

Showings on Customer Bills:

For purposes of showing on customer bills, the charge provided for herein shall be combined with the then effective Purchased Gas Adjustment.