

COMMONWEALTH OF KENTUCKY
BEFORE THE PUBLIC SERVICE COMMISSION

In the Matter of:

GENERAL ADJUSTMENTS IN ELECTRIC AND)
GAS RATES OF LOUISVILLE GAS AND) CASE NO. 8924
ELECTRIC COMPANY)

ORDER

Based on the prefiled testimony and the responses to data requests, the Commission has determined that the following items are issues under review in this case:

1. Cost restraint measures.
2. Whether the levels of revenues and expenses for the 12 months ended August 31, 1983, are representative for rate-making purposes.
3. Normalized revenue - electric and gas.
4. The normalized level for wages and salaries expense.
5. Fuel cost synchronization.
6. Total gas cost reflected in the adjusted revenue at present and proposed rates in Hart Exhibits 3 and 4.
7. Depreciation rates.
8. Rate-making treatment of the investment in the Trimble County generating plant (continued cash return on CWIP or accrual of AFUDC).

9. Appropriate amount of coal inventory to be included in rate base.

10. Proposed adjustment for the hydroelectric plant license fee.

11. Proposed temperature normalization adjustment for gas sales.

12. The actual test year expense for wages and salaries.

13. Proposed membership in EPRI.

14. Proposed adjustment to recover ESRG expenses in one year.

15. Appropriate capital structure.

16. Appropriate cost of preferred stock.

17. Appropriate cost of long-term debt.

18. Rate-making treatment for JDIC.

19. Appropriate return on equity, and Mr. Monteau's recommendations.

20. Load forecasts and construction plans for Trimble County.

21. Embedded cost-of-service study.

22. Marginal cost-of-service study.

23. Cost of service support - gas.

24. Gas and electric revenue allocation to customer classes and charges within each class.

25. Special charges - gas and electric.

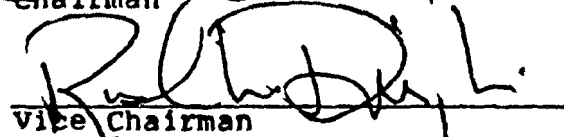
26. Interruptible service tariff.

27. Time-of-day rates.

Done at Frankfort, Kentucky, this 12th day of March, 1984.

PUBLIC SERVICE COMMISSION


Chairman


Vice Chairman


Commissioner

ATTEST:

Secretary