COMMONWEALTH OF KENTUCKY

BEFORE THE PUBLIC SERVICE COMMISSION

In the Matter of:

AN INVESTIGATION OF THE UNION LIGHT,) HEAT AND POWER COMPANY'S SERVICE) AGREEMENT WITH THE CONTINENTAL) CASE NO. 10134 CAN COMPANY, INC.)

ORDER

IT IS ORDERED that Union Light, Heat and Power Company ("ULH&P") shall file an original and 12 copies of the following information with this Commission, with a copy to all parties of record. Include with each response the name of the witness who will be responsible for responding to questions relating to the information provided. Careful attention should be given to copied material to insure that it is legible. The information requested herein is due no later than March 10, 1988. If the information cannot be provided by this date, you should submit a motion for an extension of time stating the reason a delay is necessary and include a date by which it will be furnished. Such motion will be considered by the Commission.

1. Provide projected annual KW and KWH sales volumes and revenues for Continental Can Company, Inc., ("Continental") for the five years of the demand discount. Include a schedule of projected summer and winter KW sales and revenues broken down between peak and off-peak rate periods. 2. Provide projected annual expenses for the five years of the demand discount, both fixed and variable, which will be incurred to serve Continental and/or are assignable to Continental per ULH&P's most recent cost of service analysis. Include workpapers which reflect the supporting calculations and assumptions used to arrive at the expense projections.

3. Provide a projection of the annual revenue shortfall for each of the five years of the demand discount resulting from the difference between the normal demand charge of Rate DT and the discounted demand charge offered Continental.

4. Describe all new facilities which will be required to serve Continental. What costs are associated with these new facilities?

5. Why has ULH&P chosen to offer a special economic incentive rate on a special contract basis instead of utilizing a general tariff available to all customers who meet the availability requirement?

6. Provide ULH&P's latest cost-of-service study.

Done at Frankfort, Kentucky, this 26th day of February, 1988.

PUBLIC SERVICE COMMISSION

For the Commission

ATTEST:

Executive Director