

COMMONWEALTH OF KENTUCKY
BEFORE THE PUBLIC SERVICE COMMISSION

In the Matter of:

THE APPLICATION OF THE UNION LIGHT, HEAT)
AND POWER COMPANY FOR AUTHORITY TO)
IMPLEMENT A TARIFF RIDER TO RECOVER COSTS)
ASSOCIATED WITH DEMAND SIDE MANAGEMENT) CASE NO. 94-222
PROGRAMS, OR IN THE ALTERNATIVE, DEFER)
THOSE COSTS UNTIL REVENUES ARE COLLECTED)
THAT INCLUDE THE ASSOCIATED COSTS)

O R D E R

On June 2, 1994, The Union Light, Heat and Power Company ("ULH&P") filed an application, pursuant to House Bill 501 ("H.B. 501"), seeking approval of demand side management plans and a proposal to recover in rates the costs of such plans or, in the alternative, to defer the costs until its next general rate case. H.B. 501, enacted by the 1994 General Assembly, authorizes utilities to seek approval of demand side management plans and rates to recover their costs by application limited to these matters, thereby obviating the need to file a general rate case under KRS 278.190.

The Attorney General's office, Utility and Rate Intervention Division ("AG"), filed a motion on June 28, 1994 requesting the Commission to dismiss ULH&P's application on the grounds that no regulations have been promulgated to implement H.B. 501, H.B. 501 is not yet effective, and ULH&P did not engage in a collaborative process with its customer groups. The latter ground arises under H.B. 501 which enumerates numerous factors to be considered in

reviewing demand side management plans. One of those factors is the extent of involvement by customer representatives and the AG.

Based on a review of the motion, and being otherwise sufficiently advised, the Commission finds that all parties should have an opportunity to file responses addressing the grounds cited in the AG's motion as well as the extent to which ULH&P's application demonstrates the consideration given to each factor enumerator in H.B. 501.

IT IS THEREFORE ORDERED that any response to the AG's motion shall be filed by July 10, 1994 and any reply shall be filed by July 18, 1994.

Done at Frankfort, Kentucky, this 1st day of July, 1994.

PUBLIC SERVICE COMMISSION


For the Commission

ATTEST:


Executive Director