COMMONWEALTH OF KENTUCKY

BEFORE THE PUBLIC SERVICE COMMISSION

In the Matter of:

AN EXAMINATION BY THE PUBLIC SERVICE COMMISSION OF THE APPLICATION OF THE FUEL ADJUSTMENT CLAUSE OF THE LOUISVILLE GAS AND ELECTRIC COMPANY FROM NOVEMBER 1, 1996 TO APRIL 30, 1997	)))))	CASE NO. 96-524-A

and

AN EXAMINATION BY THE PUBLIC SERVICE COMMISSION OF THE APPLICATION OF THE FUEL ADJUSTMENT CLAUSE OF THE LOUISVILLE GAS AND ELECTRIC COMPANY FROM MAY 1, 1997 TO OCTOBER 31, 1997	)))))	CASE NO. 96-524-B

and

AN EXAMINATION BY THE PUBLIC SERVICE COMMISSION OF THE APPLICATION OF THE FUEL ADJUSTMENT CLAUSE OF THE LOUISVILLE GAS AND ELECTRIC COMPANY FROM NOVEMBER 1, 1997 TO APRIL 30, 1998	)))))	CASE NO. 96-524-C

O R D E R

This matter is before the Commission on the parties petition for rehearing. At issue are the appropriate line loss factor to use to calculate Louisville Gas and Electric Company s (LG&E) cost of fuel recovered from intersystem sales and the appropriate level of interest for refunds of fuel adjustment clause (FAC) overcharges. We find that a 1 percent line loss factor should be used to calculate LG&E s cost of fuel recovered from intersystem sales and direct LG&E to return $766,500 plus interest to its ratepayers through its FAC.

PROCEDURE

On February 9, 1999, the Commission issued Orders in the above-styled cases in which we found that LG&E had improperly calculated its FAC charge. We subsequently granted the petitions of LG&E and Kentucky Industrial Utility Customers (KIUC) for rehearing to consider the appropriate line loss factor to use when calculating LG&E s cost of fuel recovered from intersystem sales and the assessment of interest on LG&E s refunds of its FAC overcharges. Following extensive discovery in this matter, the Commission held a public hearing on June 29, 1999 at which Daniel D. Becher, LG&E s Director of Electric System Operations; William A. Bosta, LG&E s Director of Regulatory Management; James R. Dauphinais, Consultant, Brubaker & Associates, Inc.; and, Paul M. Normand, Principal, Management Applications Consulting, testified.

DISCUSSION

Background

Administrative Regulation 807 KAR 5:056 governs the operation of all FACs. It requires that an FAC provide for periodic adjustment per KWH [kilowatt hour] of sales equal to the difference between the fuel costs per KWH sale in the base period and in the current period. 807 KAR 5:056, Section 1(1). It establishes how the adjustment factor is calculated and the costs that may be included in determining the FAC charge.

Administrative Regulation 807 KAR 5:056 requires that all adjustments be based upon the formula:

Adjustment Factor	**Monthly Fuel Costs / Monthly Sales**	**-**	**Base Fuel Costs / Base Sales**

Under this methodology a base cost of fuel is established. This base cost is expressed in terms of cents or mills per KWH. The base cost is then subtracted from the monthly cost to determine the monthly adjustment factor. This factor, which is also expressed in terms of cents or mills per KWH, is multiplied by the customer s usage to determine the customer s monthly FAC charge. The charge, which may be positive or negative, appears as a separate line item on the customer s bill.

The fuel component of the FAC is determined by the following formula:

Fuel Costs ($)	**Fuel Consumed in Utility s Own Plants + Fuel Cost of Purchased Power + Energy Cost of Power Purchased on Economic Dispatch - Cost of Fuel Recovered Through Intersystem Sales**

The sales component of the FAC is based on the following formula:

Sale (KWH)	**Generation + Purchases + Interchange-In - Intersystem Sales - Total System Losses**

In Case No. 96-524,[1] the Commission found that LG&E failed to include in the cost of fossil fuel recovered through intersystem sales the cost of fuel associated with line losses[2] incurred to make such sales and that this failure led to an overstatement of LG&E s fuel costs. To make an intersystem sale, an electric utility must generate not only the energy sold to a purchaser, but additional energy to cover energy losses incurred to transmit the sales amount across the utility s transmission system.[3] When making an intersystem sale, therefore, the electric utility recovers not only the cost of fuel to produce the sales amount of energy, but also the cost of fuel to produce the energy lost in transmission of the sales amount.

In Case No. 96-524, the Commission used a 3 percent line loss factor to determine the cost of fuel recovered from intersystem sales. This factor was the same factor present in LG&E s Open Access Transmission Tariff (OATT). As LG&E presented no evidence to dispute this factor and as the comparability provisions of the Federal Energy Regulatory Commission s (FERC) OATT rules require a utility to

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[1] Louisville Gas and Electric Co., Case No. 96-524 (Ky. P.S.C. Feb. 9, 1999); reh g den. (Ky. P.S.C. Mar. 11, 1999).

[2] Line losses are [t]he amount of power or commodity lost between the utility s generating facilities or production source and the customers premises or any two intermediate points in the utility system. See Public Utilities Reports, Inc., P.U.R. Glossary for Utility Management 83 (1992). Some power is lost when transmitting the energy from the place of generation to consumption usually in the form of heat.

[3] See Prefiled Direct Testimony of Paul M. Normand at 6 (The delivery of power requires a certain amount of energy to overcome the resistance of the facilities between the generating station and the customer. As a result, a portion of the energy generated or purchased by the utility is unavoidably lost.) For example, to sell 100 kW of electricity, a utility may generate 103 kW to sell 100 kW. The three additional kW represent line losses incurred when transmitting the electricity.

provide transmission service to customers on the same terms that it provides such service to itself,[4] the Commission found that the OATT line loss provision was an accurate indicator of LG&E s intersystem sales line losses.

Based upon its application of the same line loss factor to intersystem sales that LG&E made from November 1, 1996 to April 30, 1998, the Commission concluded in the cases at bar that LG&E had understated the cost of fuel recovered through intersystem sales for this period by approximately $1,999,167. We also concluded that LG&E should not be required to pay interest on the FAC overcharges. In its Order of March 11, 1999, the Commission granted rehearing to consider additional evidence on the issue of line loss and the payment of interest.

Line Loss: Appropriate Factor

LG&E maintains that FAC charges must be based upon the actual cost of fossil fuel consumed for the purpose of supplying energy. See Administrative Regulation 807 KAR 5:056, Section 1(3). It asserts that the 3 percent line loss factor set forth in its OATT is not based upon actual fuel expenses, but is merely a product of a negotiated settlement and is only representative of transmission agreements on file with FERC when LG&E first filed its OATT.[5] LG&E emphasizes that the line loss factor was not based upon any independent line loss study. [6]

[4] See 61 Fed. Reg. 21552 (A public utility must take transmission services (including ancillary services) for all of its new wholesale services and purchases of energy under the same tariff of general applicability as do others.").

[5] Prefiled Direct Testimony of William A. Bosta at 5.

[6] Id.

LG&E asserts that a line loss factor of 1 percent is appropriate to determine the cost of fuel recovered from intersystem sales. It refers to Paul M. Normand s line loss study to support its position. Normand reviewed several power flow case studies based upon LG&E s peak loading conditions. He then determined the line loss associated for an incremental export of 100 MW. He found that with such an intersystem sale, LG&E experiences a 1 percent increase in line loss. Normand further calculated LG&E s power flows at a reduced level of 80 percent for the summer and winter peak period to determine line loss when LG&E s system was operating at non-peaking conditions and found that LG&E s line loss for an incremental sale of 100 MW was 1 percent.[7] Finally, Normand calculated LG&E s line loss using power flows representing the combined LG&E-Kentucky Utilities Company system. He determined that intersystem sales had a weighted incremental loss factor of .848 percent.[8]

LG&E maintains that Normand s use of an incremental methodology to determine line losses associated with intersystem sales is appropriate given the nature of intersystem sales. It notes that such sales are made only after the needs of native load customers have been met. These sales are performed on an incremental basis, are made at very high voltages, and experience much lower losses than other types of transactions.

LG&E further argues that the Commission's use of the OATT line loss factor to determine the cost of fossil fuel recovered through intersystem sales is inappropriate

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[7] Prefiled Direct Testimony of Paul M. Normand at 13 14.

[8] Id. at Exhibit PMN-5.

for several reasons. First, the line loss factor in LG&E s OATT was the product of a settlement agreement and not based upon any study of LG&E s operations. Second, Administrative Regulation 807 KAR 5:056 requires that FAC charges be based upon actual fuel expenses. The line loss factor in LG&E s OATT is not based upon actual fuel expenses. In contrast, the proposed line loss factor of 1 percent is based upon actual operations and represents a best estimate of current fuel expenses.

LG&E finally argues that uses of its OATT may permit potential gaming of the disparate federal and state regulatory requirements. LG&E s OATT permits LG&E to discount its line losses so long as it treats transmission customers in the same manner as it treats itself. With a flexible line loss factor, such as contained in LG&E s OATT, an electric utility can reduce its OATT s line loss factor and shift line losses to native load customers. Use of the utility s actual line loss, rather than its OATT line loss, LG&E asserts, is thus more reliable.

Disputing LG&E s arguments, KIUC maintains that the appropriate measure of LG&E s line loss is the line loss factor set forth in LG&E s OATT. It notes that, throughout the periods under review, LG&E s transmission service tariffs contained a fixed line loss factor of 3 percent and FERC regulations required strict enforcement of those tariff provisions.

KIUC argues that the 3 percent line loss factor must be considered the actual cost of fuel. For the Commission to do otherwise, it asserts, would require Commission acquiescence or complicity in a direct violation, or at least disregard, of a FERC tariff. . . . If any utility desires to increase its profit margin through non-compliance with

some lawful requirement, that is a risk it takes alone. This Commission should be no part of it. [9]

KIUC also contends that the Normand study is inaccurate. It notes that Normand erroneously considered LG&E s Trimble County Generating Plant (Trimble County) as serving native load. Approximately 25 percent of this plant, however, serves non-jurisdictional customers. It further notes that Normand s study fails to consider wheeling transactions, buy-sell transactions, and long-term sales to East Kentucky Power Cooperative for Gallatin Steel. Finally, KIUC argues that Normand s study is not a true incremental loss study since it does not result in a matrix of loss factors that . . . change depending on a series of factors but is based upon the averaging of results of several studies.

We find that the evidence of record tends to support LG&E s position. LG&E presented the only line loss studies in this proceeding. While recognizing several deficiencies in the Normand study, we find that it represents a reasonable approximation of LG&E s line losses.[10] Moreover, the record does not support blind reliance upon the line loss factor contained in LG&E s OATT. There is no quantitative data to support the 3 percent line loss factor. It was the product of a settlement agreement and was likely agreed upon as an industry average. We note that KIUC s

[9] KIUC Brief at 16.

[10] The Commission places LG&E on notice that in future FAC proceedings the utility may be directed to update its line loss study for intersystem sales or to prepare line loss studies to determine the line loss for each intersystem sales transaction made during a review period.

expert witness conceded that LG&E s intersystem sales line loss was probably much less than 3 percent. Furthermore, with LG&E s continued use of flexible line loss factors, the potential exists that LG&E could shift costs to native load customers by reducing its line loss factor for transmission service. Use of actual fuel costs is more consistent with Administrative Regulation 807 KAR 5:056 and will afford more protection against any utility gaming of fuel costs. [11]

As to KIUC s allegations that LG&E is violating its OATT, the Commission finds that such allegations are best left to the FERC. The Commission s jurisdiction extends only to retail rates. If LG&E is violating the terms of its OATT, such violation concerns its wholesale rates an area within the FERC s exclusive jurisdiction. Those customers and competitors who believe themselves aggrieved by LG&E s actions have remedies

[11] On at least one prior occasion, the Commission has warned against rigid adherence to the line loss factor contained in an electric utility s OATT:

> While the line loss factor set forth in an electric utility s OATT is generally a reliable indicator of the appropriate line loss factor where the utility fails to produce any evidence of a differing factor, we must evaluate each study on its own merits. If the study appears accurately to reflect the line loss incurred in (and thus the fuel cost of) the transaction, we should not reject the study because of the utility s use of a different line loss factor in a FERC-filed rate. While this approach may result in differences between our treatment of a transaction for FAC purposes and FERC s treatment for the regulation of wholesale rates and services, such differences are immaterial so long as Kentucky ratepayers pay fuel charges that accurately reflect the cost of fuel to serve them.

Kentucky Utilities Co., Case No. 96-523 (Ky. P.S.C. August 31, 1999) at 8.

available at the FERC. This Commission s concern is limited to the proper application of LG&E s FAC.

Applying a 1 percent line loss factor to LG&E s intersystem sales for the periods under review, the Commission finds that LG&E understated its cost of fossil fuel recovered through intersystem sales by $666,389 and thus overstated its monthly fuel costs for the review period by that amount. Table I reflects the amount of the overcharge for each month of the review periods.

Line Loss: Other Issues

KIUC argues that on 38 occasions during the review period LG&E sold power off-system with delivery over its own transmission system and the transmission system of a third party and charged retail ratepayers for the fuel costs incurred to transmit this energy over the third party's system. It argues that $24,324 in fuel costs which LG&E incurred to support these off-system sales should be deducted from LG&E's cost of fuel.[12] While not disputing the level of the fuel costs involved, LG&E argues that no adjustment is required as its proposed intersystem line loss factor of 1 percent is conservative in nature and more than adequately compensate[s] Kentucky jurisdictional ratepayers for fuel costs associated with all off-system sales. [13]

[12] See Direct Testimony of James R. Dauphinais at 20; LG&E s Response to KIUC s First Information Request, Item 35. During the periods under review, LG&E generated 2,027 Mwh for losses incurred when transmitting energy across a third party s system. To determine the cost of fuel associated with the transmission, LG&E assumed the cost of fuel consumed was $12/Mwh.

[13] See LG&E Brief at 16. See also LG&E s Response to KIUC s First Information Request, Item 35.

The Commission finds that an additional $24,324 should be deducted from the cost of fuel for the periods under review. The 1 percent line loss factor is intended to address only line losses that occur on LG&E s transmission system, not those incurred on other utilities' transmission systems. To the extent that LG&E must supply energy losses that occur while transmitting energy through a third party system for the purpose of an intersystem sale, it should reduce its cost of fuel to ensure that native load ratepayers do not subsidize LG&E s intersystem sales.

KIUC also alleges that LG&E has failed to properly account for fuel associated with line losses to transmit power generated at Trimble County and belonging to Illinois Municipal Electric Agency (IMEA) and Indiana Municipal Power Agency (IMPA).[14] For FAC reporting purposes, LG&E excludes fuel costs associated with the generation of IMEA and IMPA power. It first determines the total Trimble County generation attributable to IMEA and IMPA by applying a factor of 1.0033 to the energy delivered to these utilities. It then divides this amount by the total Trimble County generation to determine the percentage of fuel costs excluded from the total of fuel consumed in Trimble County.[15] KIUC argues that LG&E reports Trimble County generation net of the amount delivered to IMEA and IMPA and fails to remove the fuel cost related to line losses incurred in moving the power across the LG&E transmission system. [16]

[14] IMEA and IMPA owned 25 percent of the Trimble County Generating Plant s capacity.

[15] LG&E s Response to Information Requested During the Hearing of June 29, 1999, Item 4.

[16] KIUC Brief at 30.

The Commission s review of the record does not totally support KIUC s contention. LG&E s application of a factor of 1.0033 to scheduled deliveries to IMEA and IMPA to determine the level of excluded generation and fuel costs effectively incorporates a line loss factor of .33 percent. Thus LG&E has reflected at least some of the line losses associated with the transmission of Trimble County generation to IMEA and IMPA.

The Commission, however, questions LG&E s use of a .33 percent line loss factor.[17] LG&E has not supplied any line loss studies to support the use of this factor and instead relies solely upon the line loss provisions of its FERC-approved agreements with IMEA and IMPA. The record contains no evidence to demonstrate that the .33 line loss factor represents the actual line loss. Given the nature of LG&E s arrangement with IMEA and IMPA and given LG&E s representations about the appropriate level of line loss for intersystem sales, the Commission finds that a line loss factor of 1 percent should instead be used to calculate the losses incurred to transmit Trimble County power to IMEA and IMPA.[18] Table II shows LG&E incorrectly included $75,787 of fuel costs associated with its generation and transmission of power to IMEA and IMPA in

[17] KIUC has not questioned the use of a .33 percent line loss factor. It argues that the Commission must apply the line loss factor contained in any FERC-approved rate schedule or agreement. Id.

[18] LG&E has argued that the Commission is not required to use the line loss factor set forth in its OATT for FAC purposes. This same reasoning must be applied to the line loss factor contained in LG&E s Participation Agreements. Moreover, LG&E argues that the line loss associated with intersystem sales is only 1 percent. Given that LG&E s arrangement with IMEA and IMPA more closely resembles a firm transaction than LG&E s off-system sales and thus requires the allocation of some fixed line losses, use of a 1 percent line loss factor may be more a conservative measure of line loss. See Prefiled Direct Testimony of Paul M. Normand at 9 12.

fossil fuel consumed in the utility's own plants. We find that LG&E s cost of fuel should be reduced by this amount.

Interest on Overcharges

KIUC argues that interest should be assessed from the date of LG&E s collection of the FAC overcharges. It asserts that the award of interest is essential to compensate ratepayers for the loss of the use of their money. To deny the award of interest, KIUC further asserts, would actually penalize ratepayers by charging them more than a reasonable cost of fuel when the time value of money is considered. [19] For this reason, it contends that LG&E s lack of willful intent is irrelevant to the Commission s consideration.

LG&E argues that interest should not begin to accrue on any overcharges until February 25, 1999 when LG&E moved to stay the February 9, 1999 Orders. It argues that interest prior to this date is inappropriate because it was not aware of any change in the Commission s method of calculating FAC charges, because it had not acted improperly or in bad faith, and because Administrative Regulation 807 KAR 5:056 makes no provision for the assessment of interest. LG&E further asserts that, due to the Commission s undue delay in entering the [O]rders of February 9, 1999 any assessment of interest on amounts held prior to February 25, 1999 would violate its right to due process.[20]

[19] KIUC Brief at 33.

[20] LG&E Brief at 20.

The decision to award interest on overcharges is a matter within the Commission s discretion. See Commonwealth ex rel. Beshear v. Kentucky Utilities Co., Ky.App., 648 S.W.2d 535, 537 (The payment of interest is always discretionary with the Commission on a refund. If the Commission determines that interest is required, then the amount of that interest is within the sound discretion of the agency.). While we have been reluctant to award interest in cases involving an electric utility s FAC because of the absence of specific statutory or regulatory authority, we have made such awards when they were deemed appropriate.[21]

Based upon our review of the record, we find that any award of interest for the period prior to February 25, 1999 is inappropriate. First, no evidence of improper or unreasonable conduct on LG&E s part has been found. At the time of the collection of the overcharges, the Commission had not expressly addressed the issue of intersystem sales line losses and had previously approved LG&E charges in the prior review proceedings. Second, significant delay occurred in the issuance of the Orders. Third, in the absence of a finding of utility imprudence or mismanagement, the Commission had not previously awarded interest on FAC overcharges.

As to the level of interest to be assessed on overcharges held since February 25, 1999, we find that interest should be assessed using the average of the 3-Month Commercial Paper Rate as reported in the Federal Reserve Bulletin and the Federal

[21] See, e.g., Big Rivers Electric Corp., Case No. 90-360-C (Ky. P.S.C. July 21, 1994).

Reserve Statistical Release for the period from February 25, 1999 to the date of this Order. This action is consistent with our previous awards of interest.[22]

SUMMARY

Having considered the evidence of record and being otherwise sufficiently advised, the Commission finds that:

1. A line loss factor of 1 percent should be used to determine the cost of fuel associated with line losses incurred to make an intersystem sale and recovered from such sale.

2. As a result of its failure to correctly calculate the cost of fuel recovered from intersystem sales, LG&E overstated its fuel costs for the periods under review by $666,389.

3. LG&E further overstated its fuel costs by $24,324 by failing to include fuel costs attributable to the transmission of its power over third party systems in the cost of fuel recovered from intersystem sales.

4. LG&E failed to demonstrate that its use of a .33 percent line loss factor to determine the cost of fuel used to generate and transmit Trimble County power to IMEA and IMPA was reasonable. In the absence of any line loss study on these transactions, a line loss factor of 1 percent should be used. LG&E s failure to use this factor when calculating the cost of fuel consumed at Trimble County resulted in an overstatement of $75,787 in its cost of fossil fuel consumed in its own plants.

[22] See, e.g., Re Equitable Gas Co., 144 PUR4th 378 (Ky. P.S.C. April 12, 1993).

5. During the periods under review, LG&E overstated its fuel costs by $766,500.

6. LG&E should be required to pay interest on the amount of unreported fossil fuel costs recovered through intersystem sales. The rate of interest should be based upon the average of the 3-Month Commercial Paper Rate as reported in the Federal Reserve Bulletin and the Federal Reserve Statistical Release for the period from February 25, 1999 to the date of this Order. Interest should be deemed to have begun accruing as of February 25, 1999.

IT IS THEREFORE ORDERED that:

1. Upon filing its first monthly fuel adjustment after entry of this Order, LG&E shall, in calculating its monthly fuel cost, reduce actual monthly fuel costs by $766,500 plus interest.

2. In calculating interest for purposes of this Order, LG&E shall use the average of the 3-Month Commercial Paper Rate as reported in the Federal Reserve Bulletin and the Federal Reserve Statistical Release for the period from February 25, 1999 to the date of this Order. Interest shall be calculated for the period from February 25, 1999 to the date of this Order.

3. In its monthly FAC reports filed after the date of this Order, LG&E shall identify all fuel costs attributable to the transmission of its power over third party systems and include such costs in the cost of fuel recovered from intersystem sales.

4. In its monthly FAC reports filed after the date of this Order, LG&E shall, when calculating the cost of fuel consumed at Trimble County, use a 1 percent line loss

factor to determine the cost of fuel used to generate and transmit Trimble County power to IMEA and IMPA.

Done at Frankfort, Kentucky, this 2nd day of December, 1999.

By the Commission

ATTEST:

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Executive Director

TABLE I

Month	Reported Recovered Intersystem Fuel Cost ($)	Unreported Recovered Intersystem Fuel Cost ($)
November 1996	3,614,864	36,149
December 1996	2,944,303	29,443
January 1997	1,637,695	16,377
February 1997	1,815,989	18,160
March 1997	1,345,492	13,455
April 1997	2,715,985	27,160
May 1997	3,023,140	30,231
June 1997	3,586,957	35,870
July 1997	2,836,834	28,368
August 1997	2,593,568	25,936
September 1997	4,100,732	41,007
October 1997	5,565,437	55,654
November 1997	6,183,213	61,832
December 1997	5,438,278	54,383
January 1998	3,874,571	38,746
February 1998	3,896,730	38,967
March 1998	5,411,761	54,118
April 1998	6,053,349	60,533
TOTAL	66,638,898	666,389

TABLE II

(1) Month	(2) Scheduled Generation (MWH)[1]	(3) Total Generation Attributable to IMPA & IMEA (MWH)[2]	(4) Trimble County Net Generation (MWH)[3]	(5) Ratio of Total Generation Attributable to IMPA & IMEA[4]	(6) Total Reported Fuel Cost for Trimble County[5]	(7) Corrected Fuel Cost for Non-Jurisdictional Trimble County Generation[6]	(8) Reported Fuel Cos Non-Jurisdictiona Trimble County Generation
November 1996	2,767	2,795	11,733	0.2382	$103,702	$24,701	$24,535
December 1996	607	613	4,883	0.1256	$77,729	$9,759	$4,034
January 1997	83,651	84,488	307,677	0.2746	$2,571,641	$706,168	$707,127
February 1997	82,059	82,880	315,238	0.2629	$2,705,342	$711,265	$706,527
March 1997	73,625	74,361	260,304	0.2857	$2,521,853	$720,420	$724,982
April 1997	89,037	89,927	322,067	0.2792	$2,960,758	$826,701	$811,865
May 1997	88,843	89,731	312,760	0.2869	$2,760,340	$791,947	$786,697
June 1997	80,500	81,305	295,931	0.2747	$2,667,546	$732,890	$728,027
July 1997	92,256	93,179	332,405	0.2803	$3,003,987	$842,067	$836,490
August 1997	92,034	92,954	331,866	0.2801	$2,969,192	$831,659	$826,118
September 1997	83,751	84,589	313,901	0.2695	$2,792,848	$752,603	$747,617
October 1997	91,568	92,484	346,906	0.2666	$3,112,498	$829,779	$824,283
November 1997	57,120	57,691	211,957	0.2722	$1,858,873	$505,955	$502,602
December 1997	92,256	93,179	333,921	0.2790	$3,007,783	$839,303	$833,727
January 1998	91,852	92,771	320,202	0.2897	$2,840,528	$822,972	$817,504
February 1998	75,015	75,765	288,753	0.2624	$2,408,867	$632,056	$627,871
March 1998	4,784	4,832	18,734	0.2579	$197,447	$50,925.18	$50,592
April 1998	87,305	88,178	324,613	0.2716	$2,897,402	$787,051.84	$781,835
TOTAL							

NOTES:

1 Source: LG&E s Response to Information Requested During Hearing of 6/27/1999, Item 2.

2 Scheduled Generation X 1.01 = Total Generation Attributable to IMPA and IMEA.

3 Source: LG&E s Monthly FAC Fuel Inventory Schedule.

4 Column 3 ÷ Column 4 = Ratio of Total Generation Attributable to IMPA & IMEA.

5 Source: LG&E s Monthly FAC Fuel Inventory Schedule.

6 Column 5 X Column 6 = Corrected Fuel Cost For Non-jurisdictional Trimble County Generation.