

COMMONWEALTH OF KENTUCKY  
BEFORE THE PUBLIC SERVICE COMMISSION

In the Matter of:

APPLICATION OF LOUISVILLE GAS AND	)	
ELECTRIC COMPANY AND KENTUCKY	)	
UTILITIES COMPANY FOR A CERTIFICATE	)	
OF PUBLIC CONVENIENCE AND NECESSITY	)	CASE NO. 99-056
FOR THE ACQUISITION OF TWO 164	)	
MEGAWATT COMBUSTION TURBINES	)	

O R D E R

IT IS ORDERED that Louisville Gas and Electric Company ( LG&E ) and Kentucky Utilities Company ( KU ) shall file the original and 6 copies of the following information with the Commission no later than March 23, 1999, with a copy to all parties of record. Each copy of the data requested should be placed in a bound volume with each item tabbed. When a number of sheets are required for an item, each sheet should be appropriately indexed, for example, Item 1(a), Sheet 2 of 6. 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 ensure that it is legible. Where information requested herein has been provided along with the original application, in the format requested herein, reference may be made to the specific location of said information in responding to this information request. When applicable, the information requested herein should be provided for total company operations and jurisdictional operations, separately.

1. Refer to Mr. Willhite s testimony, p. 7, lines 8-7. On what date did LG&E and KU determine that the acquisition of the combustion turbines is the best generation

resource to meet their combined needs? Provide copies of all internal memoranda, letters, notes, board minutes or other writings which document that date.

2. Refer to Mr. Willhite s testimony, p. 7, lines 3-8.

a. On what date did LG&E Capital Corporation sign a contract with ABB to purchase the turbine units?

b. On what date did LG&E Capital Corporation sign a purchase option with ABB?

3. Who owns the land on which the turbines are now being constructed? If KU owns the land, has this land previously been included in KU s rate base?

4. Provide a copy of the deed, lease agreement, or other written document that authorizes LG&E Capital to construct the turbines at the E.W. Brown Generating Station.

5. Provide a copy of Mr. Willhite s October 30, 1998 letter to the Commission as referenced in Mr. Willhite s testimony at p. 7, lines 6-8.

6. Mr. Willhite s October 30, 1998 letter to the Commission states, in the third paragraph, that if the turbines are determined to be the best generation resources for LG&E and KU, a certificate of environmental compatibility will be filed with the Commission.

a. What was basis for this statement by Mr. Willhite?

b. Did Mr. Willhite consult with anyone on this subject prior to sending this letter? If yes, provide the names of the individuals consulted and the information provided by each.

c. Was Mr. Willhite's October 30, 1998 letter seen by anyone prior to it being sent? If yes, provide the names and titles of each person who saw it.

7. Mr. Willhite's testimony, at p. 12, lines 13-22, states that a certificate of environmental compatibility is not being requested because the Commission granted such a certificate in 1991 for the entire Brown site.

a. When did Mr. Willhite first become aware that the pending application would not include a request for a certificate of environmental compatibility?

b. When did Mr. Willhite first become aware that the Commission had already granted a certificate of environmental compatibility in 1991 for the entire Brown site?

8. Refer to Mr. Willhite's testimony, p. 12, lines 21-22. Exactly where in the pending application is [t]his information, and the 1991 Certificate which is referenced as being submitted with the application?

9. Is Mr. Willhite's conclusion that the Commission issued a certificate of environmental compatibility in 1991 for the entire Brown site based on something in the Commission's January 31, 1992 Order in Case No. 91-115?<sup>1</sup> If yes, reference the specific provision granting a certificate of environmental compatibility for the entire Brown site. If no, explain in detail the basis for Mr. Willhite's conclusion.

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<sup>1</sup> Case No. 91-115, The Application Of Kentucky Utilities Company For a Certificate of Convenience And Necessity And a Certificate of Environmental Compatibility To Construct Four 75 Megawatt Combustion Turbine Peaking Units And Associated Facilities Scheduled For Completion In 1994 And 1995, Respectively, To Be Located At The Company's E.W. Brown Generating Station In Mercer County, Kentucky.

10. What is the earliest verifiable date that anyone at KU concluded that the Commission had issued a certificate of environmental compatibility in 1991 for the entire Brown site.

a. If the date is before December 20, 1993, explain in detail why KU filed an application with the Commission on December 20, 1993 requesting a certificate of environmental compatibility to construct one turbine at the Brown site.

b. If the date is prior to May 13, 1994, did KU advise the Commission prior to its granting a certificate of environmental compatibility for one turbine at the Brown site that the requested certificate was not needed?

Done at Frankfort, Kentucky, this 16<sup>th</sup> day of March, 1999.

By the Commission

ATTEST:

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Executive Director