

COMMONWEALTH OF KENTUCKY
BEFORE THE PUBLIC SERVICE COMMISSION

In the Matter of:

DEMAND SIDE MANAGEMENT PROGRAMS)	
AND COST RECOVERY FILING FOR)	
DEMAND SIDE MANAGEMENT PROGRAMS)	CASE NO. 99-414
BY THE UNION LIGHT, HEAT AND POWER)	
COMPANY)	

O R D E R

On October 1, 1999, The Union Light, Heat and Power Company (ULH&P) filed in Case No. 95-312¹ a motion for an extension of time, from October 1, 1999 to December 1, 1999, to file its annual Demand Side Management (DSM) program report. Second, ULH&P requested authority to continue billing its current Gas Rider DSMR Demand Side Management Rate and its current Electric Rider DSMR Demand Side Management Rate beyond their scheduled expiration date of December 31, 1999, until the Commission has issued an Order approving new rates for the forthcoming period, based on the DSM program report. Third, ULH&P requested that the Commission open a docket to review and receive comments on ULH&P's DSM programs.

ULH&P premises its request for additional time to file its DSM program report on two factors. The first is that it has just recently received the results of outside,

¹ Case No. 95-312, The Annual Cost Recovery Filing for Demand Side Management by The Union Light, Heat and Power Company.

independent evaluations of two of its programs and needs to review and analyze those results before submitting its report to the Commission. The second factor is that ULH&P is awaiting notification as to whether it may be awarded a state grant to help fund its DSM programs in the future. Should it receive the grant, this will impact the future budgets and cost-effectiveness determinations of ULH&P's programs. Without knowing whether the grant will be awarded, ULH&P is not able to prepare a meaningful budget for certain of the individual programs.

ULH&P's current DSM cost recovery rates are scheduled to expire December 31, 1999. With the request for an extension until December 1, 1999 to file its annual DSM program report, ULH&P recognizes that the Commission would not have adequate time to review the report and issue an Order on future programs and cost recovery rates prior to the December 31, 1999 expiration date.

The request to open a docket to receive comments from the interested parties on ULH&P's DSM programs is consistent with the Principles of Agreement for Demand Side Management (Agreement) entered into by ULH&P and the members of its DSM collaborative. The signatories to the Agreement committed to recommend to the Commission by January 1, 2000 to open a docket for review and comment on the DSM programs if ULH&P had not filed a general rate case on or before July 1, 1999.

Having considered the motion and being otherwise sufficiently, the Commission
HEREBY ORDERS that:

1. This case is established to investigate and review ULH&P's DSM programs and to receive public comments on those programs.

2. ULH&P is granted an extension of time until December 1, 1999 to file its annual DSM program report.

3. ULH&P shall continue to bill its currently effective DSM cost recovery rates until such time as the Commission issues an Order prescribing new rates.

4. Case No. 95-312 is hereby closed. The record in Case No. 95-312 shall be incorporated by reference into the record in this proceeding.

5. Any comments on ULH&P's DSM programs shall be filed no later than January 5, 2000.

Done at Frankfort, Kentucky, this 25th day of October, 1999.

By the Commission

ATTEST:

Executive Director