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 BY THE UNION LIGHT, HEAT AND POWER COMPANY

CASE NO. 99-414

<u>ORDER</u>

On December 2, 1999, The Union Light, Heat and Power Company (ULH&P) filed its petition for Commission approval of Demand Side Management (DSM) programs and revised DSM tariff riders. ULH&P requests that its petition be processed in an expedited manner so that it can implement the revised tariff riders effective with the first billing cycle of January 2000.

The Commission initially approved DSM programs and DSM tariff riders for ULH&P in Case No. 95-312¹ on a pilot basis to run through calendar year 1999. Since that approval, ULH&P has made filings with the Commission and has updated its DSM tariff riders on an annual basis. ULH&P was due to make the instant filing on October 1, 1999, for the purpose of reviewing and evaluating its DSM pilot and determining what, if any, DSM programs should be continued beyond the end of 1999. On October 1, 1999,

¹ Case No. 95-312, The Cost Recovery Filing for Demand Side Management by The Union Light, Heat and Power Company, Order dated December 1, 1995.

ULH&P filed a request for an extension of time, until December 1, 1999, in which to make its filing, which request was granted by the Commission.²

ULH&P now requests that its petition be expedited in order that its revised tariff riders can be implemented effective with the first billing cycle of January 2000. Given the two-month delay in making this filing and the fact that the instant review is for the purpose of evaluating ULH&P s DSM pilot and determining what, if any, DSM programs should be continued beyond the pilot phase, the Commission cannot grant ULH&P s request for expedited treatment. The filing will require considerably more review and analysis than can be conducted in the brief period between the petition s filing date and the January 3, 2000 proposed effective date for the revised DSM tariff riders.

The Commission recognizes, however, that continuity is necessary in the administration of DSM programs. Accordingly, ULH&P's DSM programs and tariff riders presently in effect, but scheduled to terminate at the end of 1999, should be continued until a final Order is issued in this proceeding.

IT IS THEREFORE ORDERED that:

1. ULH&P s requested for expedited approval of its petition is hereby denied.

2. ULH&P's revised DSM tariff riders shall be suspended for five months from their proposed effective date, up to and including June 2, 2000.

3. ULH&P's existing DSM programs and DSM tariff riders shall remain in effect pending the Commission's final Order in this proceeding.

² Case No. 99-414, Demand Side Management Programs and Cost Recovery Filing for Demand Side Management Programs by The Union Light, Heat and Power Company, Order dated October 25, 1999.

Done at Frankfort, Kentucky, this 20th day of December, 1999.

By the Commission

ATTEST:

Executive Director