

COMMONWEALTH OF KENTUCKY  
BEFORE THE PUBLIC SERVICE COMMISSION

In the Matter of:

THE TARIFF FILING OF LOUISVILLE )  
GAS AND ELECTRIC COMPANY TO ) CASE NO. 2000-548  
ESTABLISH PREPAID GAS AND )  
ELECTRIC SERVICE )

O R D E R

On April 10, 2001, Louisville Gas and Electric Company ("LG&E") filed a petition for reconsideration of the Commission's March 30, 2001 Order establishing a procedural schedule for investigating the reasonableness of LG&E's 1-year prepaid gas and electric service pilot program. Specifically, LG&E objects to the finding in that Order that LG&E must continue to adhere to the requirements of 807 KAR 5:006, Section 14, regarding customer notification prior to termination of service for non-payment. LG&E presents a number of arguments on the merits of why the service termination regulation should not apply to customers electing to prepay for service, and also notes that its prepaid service tariff was accompanied by a cover letter which, at page 7, requested a deviation from the service termination regulation. Further, LG&E requests that the procedural schedule be held in abeyance until the 1-year pilot program concludes on January 4, 2002 because the information to be gathered from the pilot will be necessary to evaluate the reasonableness of the program. In the alternative, LG&E requested that the existing procedural schedule appended to the March 30, 2001 Order be modified to provide that its prefiled testimony be filed on April 29, 2001.

Responses in opposition to reconsideration were filed by Metro Human Needs Alliance and POWER, and by the Community Action Council for Lexington-Fayette, Bourbon, Nicholas, and Harrison Counties, Inc., and the Kentucky Association for Community Action, Inc. Both responses raise substantive questions regarding the merits of the program and the potential harm to customers from service termination without advance notice. LG&E filed replies to both responses, asserting the voluntary nature of the program, its limited scope, and the need for experience to be gathered under the program for a proper evaluation.

Based on the petition, responses, and replies, and being otherwise sufficiently advised, the Commission finds that sufficient questions have been raised regarding the provision of prepaid gas and electric service to warrant a review at this time. The Commission fully recognizes that the absence of actual experience under the program may render some issues incapable of being resolved permanently at this time. However, the merits of LG&E's request for a deviation from the service termination regulations raises factual issues that appear to be ripe for review now.

IT IS THEREFORE ORDERED that:

1. LG&E's request for a deviation from 807 KAR 5:006, Section 14, shall be considered in accordance with the procedural schedule established herein.
2. The procedural schedule attached hereto as Appendix A shall be followed in this case and shall supersede the procedural schedule appended to the April 10, 2001 Order.
3. LG&E's request for reconsideration is granted to the limited extent that the due date for its prepared testimony is modified as provided in Appendix A.

Done at Frankfort, Kentucky, this 27<sup>th</sup> day of April, 2001.

By the Commission

ATTEST:

  
Executive Director

APPENDIX A

APPENDIX TO AN ORDER OF THE KENTUCKY PUBLIC SERVICE  
COMMISSION IN CASE NO. 2000-548 DATED DATED APRIL 27, 2001

LG&E shall file its direct testimony in verified  
prepared form no later than ..... 05/07/01

Information requests to LG&E shall be filed  
no later than ..... 05/21/01

LG&E shall respond to requests for information  
no later than ..... 06/04/01

Intervenors' testimony, if any, shall be filed in  
verified prepared form no later than ..... 06/25/01

Requests for information to Intervenors shall  
be filed no later than ..... 07/10/01

Intervenors shall respond to requests for  
information no later than ..... 07/24/01

Public hearing shall be held at 9:00 a.m.,  
Eastern Daylight Time, at the Commission's  
offices at 211 Sower Boulevard, Frankfort,  
Kentucky for the purpose of cross-examination  
of all witnesses ..... 08/14/01