

COMMONWEALTH OF KENTUCKY  
BEFORE THE PUBLIC SERVICE COMMISSION

In the Matter of:

JOINT APPLICATION OF LOUISVILLE GAS AND	)	
ELECTRIC COMPANY, METRO HUMAN NEEDS	)	
ALLIANCE, PEOPLE ORGANIZED AND WORKING	)	
FOR ENERGY REFORM, KENTUCKY	)	CASE NO.
ASSOCIATION FOR COMMUNITY ACTION, AND	)	2001-00323
JEFFERSON COUNTY GOVERNMENT FOR THE	)	
ESTABLISHMENT OF A HOME ENERGY	)	
ASSISTANCE PROGRAM	)	

O R D E R

On June 14, 2002, Metro Human Needs Alliance, People Organized and Working for Energy Reform, and Jefferson County Government filed a motion requesting the Commission to reconsider that portion of its May 22, 2002 Order denying a request to continue on an interim basis Louisville Gas and Electric Company's 5-month pilot Home Energy Assistance Program ( HEA ) which expired on May 31, 2002. That Order denied the request for an interim extension of the existing HEA on the basis that: (1) the HEA was proposed and approved as a 5-month pilot to expire on May 31, 2002; (2) no data had been filed to show that the pilot was a success; and (3) no data had been filed to show that there had been no subsidization between gas and electric customers.

The motion for reconsideration is supported by a consultant's report dated June 2002, which claims that the 5-month pilot HEA has been successful. On the issue of cross-subsidization, the motion for reconsideration states that the HEA revenues were collected 54 percent from electric customers and 46 percent from gas customers,

while the subsidies were applied 39 percent to electric bills and 61 percent to gas bills. The motion for reconsideration claims that this cross-subsidization of gas bills by electric customers will begin to reverse itself if the pilot HEA is in effect for a longer period of time.

Intervenor Robert L. Madison filed a response in opposition to the motion for reconsideration. He cites numerous reasons to support his opposition, including: the additional expense to ratepayers for continuing the pilot HEA; a claim that the data filed to show the pilot's success merely shows the obvious that a subsidy helps the recipient; and the illegal nature of the cross-subsidization between electric and gas customers.

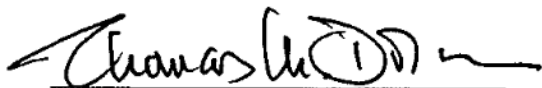
Based on the motion for reconsideration, the response thereto, and being otherwise sufficiently advised, the Commission finds that the motion should be denied. The arguments raised in the motion are not significantly different from those previously raised and rejected by our May 22, 2002 Order, with the exception of the submission of a consultant's report, which did not come into existence until June 2002. Since the data in this report is characterized in the motion for reconsideration, at page 1, as unreliable and biased because it covers only a few months, the Commission finds insufficient grounds to modify its May 22, 2002 Order. This newly created report and the data it contains are more appropriate for consideration in support of the application to be filed by June 30, 2002 to implement a new HEA.

IT IS THEREFORE ORDERED that the motion for reconsideration is denied.

Done at Frankfort, Kentucky, this 2<sup>nd</sup> day of July, 2002.

By the Commission

ATTEST:

A handwritten signature in black ink, appearing to read "Thomas H. (T) [unclear]", written over a horizontal line.

Executive Director