

COMMONWEALTH OF KENTUCKY
BEFORE THE PUBLIC SERVICE COMMISSION

In the Matter of:

THE APPLICATION OF LOUISVILLE GAS AND)	
ELECTRIC COMPANY FOR CHANGES TO THE)	CASE NO.
DEMAND-SIDE MANAGEMENT COST RECOVERY)	2001-427
COMPONENT OF ITS GAS AND ELECTRIC RATES)	

O R D E R

On December 4, 2001, Louisville Gas and Electric Company (LG&E) filed proposed changes to its Demand-Side Management Cost Recovery Component (DSMRC) tariff. The proposed changes to the DSMRC tariff would be applicable to its rates for gas and electric service for the 12-month period beginning January 2002. The gas rate changes proposed by LG&E result in increases to its Residential, Commercial, G-6, G-7, TS and FT Rates. The electric rate changes proposed by LG&E result in increases to its Residential and General Service Rates, no change to its Large Commercial rate and a decrease to its Large Commercial-TOD rate.

LG&E proposes that the rate changes become effective January 3, 2002. Based on a review of the revised DSMRC tariff and the supporting schedules that show the calculation of the DSMRC, the Commission finds that the proposed rates are reasonable and should be approved.

IT IS THEREFORE ORDERED that:

1. LG&E s proposed changes to its DSMRC are approved effective January 3, 2002.

2. Within 10 days of the date of this Order, LG&E shall file a revised Demand-Side Management Recovery Mechanism tariff that shows the date issued and that it was issued by authority of this Order.

Done at Frankfort, Kentucky, this 2nd day of January, 2002.

By the Commission

ATTEST:


Executive Director