

COMMONWEALTH OF KENTUCKY
BEFORE THE PUBLIC SERVICE COMMISSION

In the Matter of:

THE APPLICATION OF KENTUCKY UTILITIES)	
COMPANY FOR APPROVAL OF ITS 2002)	CASE NO.
COMPLIANCE PLAN FOR RECOVERY BY)	2002-00146
ENVIRONMENTAL SURCHARGE)	

FIRST DATA REQUEST OF COMMISSION STAFF
TO KENTUCKY UTILITIES COMPANY

Kentucky Utilities Company (KU), pursuant to Administrative Regulation 807 KAR 5:001, shall file with the Commission the original and 7 copies of the following information, with a copy to all parties of record. The information requested herein is due on or before September 26, 2002. Each copy of the data requested should be placed in a bound volume with each item tabbed. When a number of sheets are required for an item, each sheet should be appropriately indexed, for example, Item 1(a), Sheet 2 of 6. Include with each response the name of the person who will be responsible for responding to questions relating to the information provided. Careful attention should be given to copied material to ensure that it is legible. Where information herein has been previously provided, in the format requested herein, reference may be made to the specific location of said information in responding to this information request.

1. Refer to the Application, paragraphs 8 and 12 and the Direct Testimony of Michael S. Beer, page 6. KU is seeking approval of its revised Schedule ES to become

effective for bills rendered on and after March 1, 2003. In Case No. 1993-00465,¹ which established KU's environmental surcharge mechanism, and Case No. 2000-00439,² which approved the 2001 compliance plan modifications to the surcharge mechanism, the surcharge mechanism and Schedule ES were approved for service rendered on and after the date of approval. Explain in detail why KU is proposing that revised Schedule ES is to be effective for bills rendered on and after March 1, 2003, rather than for service rendered on and after March 1, 2003.

2. Refer to the Beer Direct Testimony, page 5. Provide the calculations showing the determination of the estimated impacts for the 2002 Environmental Compliance Plan (2002 Plan) of \$.13 and \$.24. Include all workpapers, assumptions, and other supporting documentation.

3. Refer to the Direct Testimony of Caryl M. Pfeiffer. At page 7, Ms. Pfeiffer states, The approved Permit is being revised to allow for construction to an elevation of 800 feet.

a. As of the date of the response to this data request, what is the status of the permit revision?

¹ Case No. 1993-00465, The Application of Kentucky Utilities Company to Assess a Surcharge Under KRS 278.183 to Recover Costs of Compliance with Environmental Requirements for Coal Combustion Wastes and By-Products, final Order dated July 19, 1994. KU's Schedule ES was approved for service rendered on and after July 20, 1994.

² Case No. 2000-00439, The Application of Kentucky Utilities Company for Approval of an Amended Compliance Plan for Purposes of Recovering the Costs of New and Additional Pollution Control Facilities and to Amend Its Environmental Surcharge Tariff, final Order dated April 18, 2001. KU's modified Schedule ES was approved for service rendered on and after May 1, 2001.

b. If the permit revision has been approved, provide a copy of the revision. If the permit revision is pending, indicate the expected date a revised permit will be issued.

4. Refer to the Direct Testimony of Lonnie E. Bellar, page 6. Provide the calculations showing the determination of the \$75,000 annual incremental maintenance expenses for the ash pond dike elevation project. Include all workpapers, assumptions, and other supporting documentation.

5. Refer to the Direct Testimony of S. Bradford Rives, page 3. KU has indicated that the ash pond facility serves all four generating units at the Ghent site.

a. Explain in detail why the depreciation rate for Ghent Unit 4 is proposed for the expanded ash pond facility.

b. Provide the depreciation rates for Ghent Units 1 through 4.

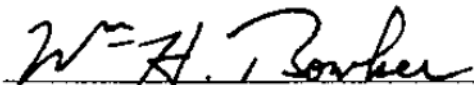
c. If the ash pond facility serves all four generating units, explain why an average depreciation rate based on the depreciation rates for the four generating units was not proposed.

6. Refer to the Direct Testimony of F. Howard Bush, page 7. Mr. Bush states that KU will credit the amount of the net plant balance of any existing facility retired or replaced against the amount of the capital expenditure for the new project to be recovered through the surcharge in accordance with the Commission's July 16, 1994 Order in Case No. 1993-00465. Explain why a reference to the Commission's May 1, 2001 Order in Case No. 2000-00439 was not included.

7. Refer to the Bush Direct Testimony, Exhibit FHB-4.

a. Indicate where in the proposed format changes KU plans to reflect the \$75,000 annual incremental maintenance expenses for the ash pond project.

b. Refer to page 2 of 12. KU is proposing that the 2002 Plan investment be treated the same as the investments associated with the 2001 Environmental Compliance Plan (2001 Plan). Could the 2001 and 2002 Plan financial information be consolidated on page 2 of 12 as Overall ROR Plan, with the separate details shown on pages 4, 5, 9, and 10 of 12? Explain the response.

for 

Thomas M. Dorman

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DATED: September 10, 2002

cc: All Parties