

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)	

SECOND DATA REQUEST OF COMMISSION STAFF
TO KENTUCKY UTILITIES COMPANY

Kentucky Utilities Company (KU), pursuant to Administrative Regulation 807 KAR 5:001, is requested to 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 October 25, 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 response to the Commission Staff s First Data Request dated September 10, 2002, Item 1, which explains that KU proposed that revised Schedule ES should be made effective for bills rendered on and after the first day of a calendar

month for purposes of simplification. Typically, the Commission approves changes in rates or charges prospectively to ensure that customers are not charged a higher rate after-the-fact for service already received. Assuming the Commission approves a revised Schedule ES effective for service rendered prospectively, explain whether KU is agreeable to an effective date that is the first day of the second billing month following the Schedule's approval.

2. Refer to the response to the Commission Staff's First Data Request dated September 10, 2002, Item 2. The attachment to the response shows an incremental increase of \$.21 in the second year, which has been identified as 2003. The attachment does not show the calculations for 2005.

a. Provide the calculations showing the determination of the estimated incremental increase of \$.21 in 2005. Include all workpapers, assumptions, and other supporting documentation.

b. Explain how the incremental increase due to the new environmental project would be the same in 2003 and 2005.

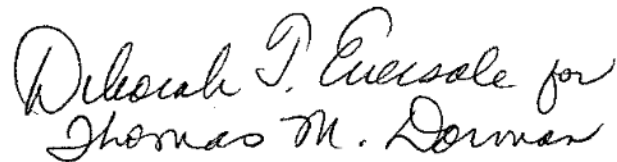
3. Refer to the response to the Commission Staff's First Data Request dated September 10, 2002, Item 3(b). KU states that it expects to have a revised permit for construction to an elevation of 800 feet by the end of November 2002. No later than December 10, 2002, KU should file copies of the revised permit or an update on the status of the permit, including the expected date of receipt.

4. Refer to the response to the Commission Staff's First Data Request dated September 10, 2002, Item 4.

a. The attachment to the response indicates that the total increase in maintenance costs is expected to be \$76,000 in 2003. Explain why KU has been stating that this increase would be \$1,000 less.

b. Does KU intend to recover the additional energy costs, estimated to be \$23,612 in 2003, through base rates or the environmental surcharge? Explain the response.

c. If KU intends to recover the additional energy costs through the environmental surcharge, explain in detail why this has not been disclosed or discussed in the application.



Thomas M. Dorman
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Public Service Commission
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DATED: October 10, 2002

cc: All Parties