

COMMONWEALTH OF KENTUCKY
BEFORE THE PUBLIC SERVICE COMMISSION

In the Matter of:

AN EXAMINATION BY THE PUBLIC SERVICE)	
COMMISSION OF THE ENVIRONMENTAL)	
SURCHARGE MECHANISM OF LOUISVILLE GAS)	
AND ELECTRIC COMPANY FOR THE SIX-MONTH)	CASE NO.
BILLING PERIODS ENDING APRIL 30, 2000,)	2002-00193
OCTOBER 31, 2000, OCTOBER 31, 2001, AND)	
APRIL 30, 2002 AND FOR THE TWO-YEAR)	
BILLING PERIOD ENDING APRIL 30, 2001)	

SECOND DATA REQUEST OF COMMISSION STAFF
TO LOUISVILLE GAS AND ELECTRIC COMPANY

Louisville Gas and Electric Company (LG&E), pursuant to Administrative Regulation 807 KAR 5:001, is to file with the Commission the original and 8 copies of the following information, with a copy to all parties of record. The information requested herein is due on or before August 22, 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 Direct Testimony of Carol Foxworthy, page 4. Assume for purposes of this question that the Commission approves LG&E s proposal concerning

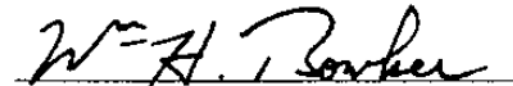
the roll-in of the environmental surcharge into base rates. LG&E is proposing to return the environmental surcharge over-recovery of \$329,659 to ratepayers over a 4-month period. Explain how LG&E intends to reflect this over-recovery adjustment in the determination of its monthly surcharge factor.

2. Refer to response to the Commission Staff's First Data Request dated June 13, 2002, Item 13, 1995 Plan. The rate base for the expense month of July 2001 is shown as \$35,663,834. The monthly environmental surcharge report filed with the Commission shows the 1995 Plan rate base for the expense month of July 2001 to be \$36,663,834. Provide the correct rate base for the expense month of July 2001. If necessary, provide any revisions to LG&E's determination of its over- or under-recovery due to a correction of the 1995 Plan rate base.

3. Refer to the response to the Commission Staff's First Data Request dated June 13, 2002, Item 25(b). LG&E is recommending that the Commission order the new rates to be effective with service rendered on and after January 1, 2003. If the Commission's decision in this case were to be issued at some time other than the end of December 2002, does LG&E prefer that the new rates be effective for service rendered on and after the first billing cycle of the next month? Explain the response.

4. Refer to the response to the Commission Staff's First Data Request dated June 13, 2002, Item 26(b). In this response, LG&E submitted its proposed reporting formats for the environmental surcharge assuming the adoption of its roll-in proposal. LG&E's 2001 Plan includes monthly operation and maintenance expenses and a cash working capital allowance in the determination of the revenue requirement. LG&E's

proposed formats did not include pages for these components. Would LG&E agree that a format similar to the Kentucky Utilities Company ES Form 2.4, included in the Commission Staff's roll-in proposal of August 2001, would be appropriate to document LG&E's 2001 Plan operation and maintenance expenses and cash working capital allowance? Explain the response.

for 
Thomas M. Dorman
Executive Director
Public Service Commission
211 Sower Boulevard
P.O. Box 615
Frankfort, Kentucky 40602

DATED: AUGUST 8, 2002

cc: All Parties