

COMMONWEALTH OF KENTUCKY
BEFORE THE PUBLIC SERVICE COMMISSION

In the Matter of:

AN EXAMINATION BY THE PUBLIC)	
SERVICE COMMISSION OF THE)	
APPLICATION OF THE FUEL)	
ADJUSTMENT CLAUSE OF)	CASE NO. 2003-00214
LOUISVILLE GAS AND ELECTRIC)	
COMPANY FROM NOVEMBER 1, 2002)	
TO APRIL 30, 2003)	

O R D E R

Pursuant to Commission Regulation 807 KAR 5:056, the Commission on June 18, 2003 established this case to review and evaluate the operation of the fuel adjustment clause (FAC) of Louisville Gas and Electric Company (LG&E) for the 6 months ended April 30, 2003.

As part of this review, LG&E, pursuant to Commission Order, submitted certain information concerning its compliance with Commission Regulation 807 KAR 5:056. A public hearing was held on September 17, 2003.

The Commission has previously established LG&E s base fuel cost at 11.19 mills per Kwh.¹ During the period under review, LG&E s base fuel cost was reset at 12.81

¹ Case No. 2000-00498, An Examination by the Public Service Commission of the Application of the Fuel Adjustment Clause of Louisville Gas & Electric Company from November 1, 1998 to October 31, 2000, Order dated March 15, 2001.

mills per Kwh.² A review of LG&E s monthly fuel clause filings shows that the actual fuel cost incurred for the 6-month period under review ranged from a low of 9.13 mills in February 2003 to a high of 12.64 mills in December 2002, with a 6-month average of 11.77 mills.

The Commission, having considered the evidence of record and being otherwise sufficiently advised, finds no evidence of improper calculation or application of LG&E s FAC charges or improper fuel procurement practices.

IT IS THEREFORE ORDERED that the charges and credits billed by LG&E through its FAC for the period November 1, 2002 to April 30, 2003 are approved.

Done at Frankfort, Kentucky, this 22nd day of October, 2003.

By the Commission

ATTEST:


Executive Director

² Case No. 2002-00434, An Examination by the Public Service Commission of the Application of the Fuel Adjustment Clause of Louisville Gas & Electric Company from November 1, 2000 to October 31, 2002, Order dated April 30, 2003.