COMMONWEALTH OF KENTUCKY

BEFORE THE PUBLIC SERVICE COMMISSION

In the Matter of:

AN ADJUSTMENT OF THE GAS AND ELECTRIC)
RATES, TERMS, AND CONDITIONS OF) CASE NO. 2003-00433
LOUISVILLE GAS AND ELECTRIC COMPANY)
AND	
AN ADJUSTMENT OF THE ELECTRIC RATES,)
TERMS, AND CONDITIONS OF KENTUCKY) CASE NO. 2003-00434
UTILITIES COMPANY)

<u>ORDER</u>

On August 16, 2004, Louisville Gas and Electric Company ("LG&E") and Kentucky Utilities Company ("KU") filed a joint motion requesting the Commission to schedule an informal conference for the purposes of discussing LG&E's and KU's proposed environmental surcharge factors for the expense month of July 2004 and the billing month of September 2004. The motion states that the environmental surcharge factors and all supporting schedules will be calculated and prepared in accordance with the Partial Settlement Agreement, Stipulation and Recommendation, which was approved by the Commission's June 30, 2004 Order in these cases, as well as the Commission's May 4, 2004 Order in Case No. 2003-00068.¹ Further, the motion

¹ Case No. 2003-00068, An Examination by the Public Service Commission of the Environmental Surcharge Mechanism of Kentucky Utilities Company for the Six-Month Billing Periods Ending January 31, 2001, July 31, 2001, January 31, 2002, and January 31, 2003, and For the Two-Year Billing Periods Ending July 31, 2000 and July 31, 2002.

proposes future changes to the existing environmental surcharge reporting formats and

revisions to the methodology utilized in one of those formats.

Based on the motion and being otherwise sufficiently advised, the Commission

finds that, pursuant to KRS 278.410, any request for rehearing of a Commission Order

must be filed within 23 days of the issuance of that Order to be timely. To the extent

that the pending motion seeks rehearing of any issue set forth in the Commission's

June 30, 2004 Order, the motion must be denied as untimely. To the extent that the

motion seeks Commission guidance or adjudication on issues relating to LG&E's and

KU's environmental surcharge, the proper procedures for obtaining such relief is to

either file an application pursuant to the environmental surcharge statute, KRS 278.183,

or raise those issues in a Commission-initiated review of the 6-month and 2-year

operations of LG&E's and KU's environmental surcharge, pursuant to KRS 278.183(3).

IT IS THEREFORE ORDERED that the joint motion filed by LG&E and KU is

denied as untimely under KRS 278.400.

Done at Frankfort, Kentucky, this 24th day of August, 2004.

By the Commission

ATTEST:

Executive Director