COMMONWEALTH OF KENTUCKY

BEFORE THE PUBLIC SERVICE COMMISSION

In the Matter of:

INVESTIGATION INTO THE MEMBERSHIP OF LOUISVILLE GAS AND ELECTRIC COMPANY AND KENTUCKY UTILITIES COMPANY IN THE MIDWEST INDEPENDENT TRANSMISSION SYSTEM OPERATOR, INC.

CASE NO. 2003-00266

COMMISSION STAFF'S SUPPLEMENTAL DATA REQUEST TO LOUISVILLE GAS AND ELECTRIC COMPANY AND KENTUCKY UTILITIES COMPANY

Pursuant to 807 KAR 5:001, Commission Staff requests that Louisville Gas and Electric Company ("LG&E") and Kentucky Utilities Company ("KU") file the original and 5 copies of the following information with the Commission on or before February 10, 2005, with a copy to all parties of record. Each copy of the information 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 witness who will be responsible for responding to questions relating to the information provided. Careful attention should be given to copied material to ensure its legibility. When the requested information has been previously provided in this proceeding in the requested format, reference may be made to the specific location of that information in responding to this request.

1. Refer to pages 3-4 of the Supplemental Rebuttal Testimony of Mark S. Johnson ("Johnson Testimony") comparing the merits of Security Constrained Economic Dispatch ("SCED") and the current Transmission Loading Relief ("TLR") process.

a. The question beginning at the bottom of page 3 and continuing on page 4 asks, "[I]s the TLR process an <u>adequate</u> means for resolving transmission constraints?" Based on this wording, explain whether the "adequate" TLR process is as effective as SCED in resolving constraints.

b. The first sentence in the answer reads "Yes, purely from a reliability standpoint the TLR process has served the industry well." Explain whether the TLR process addresses anything other than reliability.

2. Refer to the full question and answer on page 5 of the Johnson Testimony. From this testimony, is it correct to say that Mr. Johnson believes that there is no benefit, from a reliability perspective, of LG&E/KU remaining a member of MISO, as compared to one of the other reliability arrangements discussed in his testimony?

Beth O'Donnell Executive Director Public Service Commission P. O. Box 615 Frankfort, KY 40602

DATED: <u>January 20, 2005</u>

cc: Parties of Record