

COMMONWEALTH OF KENTUCKY
BEFORE THE PUBLIC SERVICE COMMISSION

In the Matter of:

SETTING RATES AND TERMS	)	CASE NO. 8566
AND CONDITIONS OF PUR-	)	(A) Kentucky Power Company
CHASE OF ELECTRIC POWER	)	(B) Kentucky Utilities Company
FROM SMALL POWER PRODUCER	)	(C) Berea College Electric Utility
AND COGENERATOR BY	)	(D) Louisville Gas and Electric
REGULATED ELECTRIC	)	Company
UTILITIES	)	(E) Union Light, Heat and Power
		Company
		(F) Big Rivers Electric Corporation,
		Green River Electric Corporation,
		Henderson-Union RECC, Meade
		County RECC, Jackson Purchase
		Electric Corporation
		(G) East Kentucky Power Cooperative,
		Inc., Big Sandy RECC, Bluegrass
		RECC, Clark RECC, Cumberland
		Valley RECC, Farmers RECC,
		Fleming-Mason RECC, Fox Creek
		RECC, Grayson RECC, Harrison
		RECC, Inter-County RECC,
		Jackson County RECC, Licking
		Valley RECC, Nolin RECC, Owen
		County RECC, Salt River RECC,
		Shelby RECC, South Kentucky
		RECC, Taylor County RECC

ORDER

On October 22, 1982, the Union Light, Heat and Power Company (ULH&P) filed with the Commission a motion for written comments and staff conference. The motion requested the Commission staff to provide written comments and then meet informally with the parties to the proceeding. The Commission, having considered and being advised, is of the opinion that the procedure described in the ULH&P motion would not be very productive. Therefore, the Commission denies the motion.

The Commission is aware that the issues addressed are new, technical and complicated, and that it needs a procedure to complete its consideration in this proceeding. The Commission is of the opinion that the procedure utilized in Administrative Case 203, The Determinations with Respect to the Ratemaking Standards Identified in Section 111(d)(1)-(6) of the Public Utility Regulatory Policies Act of 1978, is preferred to that proposed by ULH&P. The procedure would be for the Commission to issue a draft Order and then allow approximately three weeks for comments from all parties. After consideration of the comments, a final Order will be issued.

ULH&P in its motion addresses the type of procedure the Commission prefers. The motion states that the procedure "would place a very onerous burden on the Company, or any other party, to convince the Commission that a change is warranted." The Commission's experience with this procedure in Administrative Case 203 does not support the motion's claim. After the parties commented on the draft Order, there were several significant changes and modifications made in the final Order.

IT IS THEREFORE ORDERED that the ULH&P motion be and it hereby is denied.

IT IS FURTHER ORDERED that the following procedure be and it hereby is adopted to complete the Commission's consideration in this proceeding: the Commission shall prepare a draft Order to which all parties shall comment in a timely manner. Then, after consideration of all the comments, a final Order will be issued.

Done at Frankfort, Kentucky this 10th day of November, 1982.

By the Commission


Chairman


Vice-Chairman


Commissioner

ATTEST:

Secretary