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Mark David Goss
Chairman

John W. Clay
Commissioner

April 26, 2007

PARTIES OF RECORD

RE: Case No. 2007-00117
APPLICATION OF LOUISVILLE GAS AND ELECTRIC COMPANY FOR AN
ORDER APPROVING A RESPONSIVE PRICING AND SMART METERING
PILOT PROGRAM

Enclosed please find a memorandum that has been filed in the record of the above referenced case. Any comments regarding this memorandum's content should be submitted to the Commission within five days of the receipt of this letter. Questions regarding this memorandum should be directed to Aaron D. Greenwell at 502-564-3940, extension 273.

Sincerely,

A large, stylized handwritten signature in black ink, appearing to read "Beth O'Donnell".

Beth O'Donnell
Executive Director

Attachments

INTRA-AGENCY MEMORANDUM

KENTUCKY PUBLIC SERVICE COMMISSION

TO: Main Case File - Case No. 2007-00117
FROM: Aaron Greenwell, Team Leader
DATE: April 26, 2007
SUBJECT: Informal Conference, April 20, 2007

Pursuant to the Staff Notice, an informal conference ("IC") was held April 20, 2007. A copy of the conference attendance list is attached. The purpose of the conference was to discuss issues related to the application of Louisville Gas and Electric Company ("LG&E") requesting Commission approval of its proposed Responsive Pricing and Smart Metering Pilot program tariff. The conference began with a brief power point overview of the proposed program (attached for the Main Case File only). LG&E demonstrated the functioning of the programmable thermostat and the in-home energy usage display device. Issues regarding the implementation of the technology, such as customer education, assisting customers with problems or questions, and security of the communications network were also discussed.

The company then addressed specific concerns of the Attorney General ("AG"). The AG questioned LG&E's response to Question No. 44 of the AG data request and produced a handout of four charts showing the applicable energy cost for each hour of the day (copies attached) explaining that the AG was trying to map out the cost per kWh for comparison purposes. LG&E agreed to amend its response to Item No. 44 as a result of the discussion. In addition, the AG expressed concern with the P4 \$0.30 kWh rate because it could result in large electric bills for some customers. LG&E says that past research shows that a rather large critical rate is necessary in order to trigger the appropriate consumer responses to the price signals but agreed to consider the AG's concerns.

The parties then agreed to the procedural schedule proposed by Commission Staff.

Follow-up data requests	April 30, 2007
LG&E response	May 14, 2007
Comments	May 25, 2007
LG&E response	June 1, 2007

Commission Staff agreed to try to meet LG&E's request for a final Order by June 30, 2007 but explained that it could not actually promise an Order by that date.

The IC was then adjourned.
Attachments

CASE NO. 2007-00117
INFORMAL CONFERENCE - APRIL 20, 2007

NAME	REPRESENTING
Baron Brumwell	Ky PSC
Allison Sturgeon	LG+E
Butch Cockerill	LG+E
Dug Ferguson	LG+E
Rick Bertelson	PSC - Legal
Chris Whelan	PSC
Daryl Newby	PSC
Ron Handzako	PSC
Eli Russell	PSC
KENT BLAKE	LG+E
Dennis Howard II	DAG
Paul Adams	OAG