COMMONWEALTH OF KENTUCKY

BEFORE THE PUBLIC SERVICE COMMISSION

In the Matter of:

APPLICATION OF EAST KENTUCKY UTILITIES, INC. FOR APPROVAL OF THE PROPOSED INCREASE IN RATES

) CASE NO. 2005-00032

<u>O R D E R</u>

On January 18, 2005, East Kentucky Utilities, Inc. ("East Kentucky") filed an application with the Commission wherein it proposes to adjust its rates for service rendered on and after February 8, 2005. Pursuant to KRS 278.180, the Commission, by separate Order, granted East Kentucky's request to shorten the 30-day notice requirement to the Commission to 20 days.

The Commission finds that, pursuant to KRS 278.190, further proceedings are necessary in order to determine the reasonableness of the proposed rates and that such proceedings cannot be completed prior to the proposed effective date.

IT IS THEREFORE ORDERED that:

1. The proposed rates are hereby suspended for 5 months from February 8, 2005 up to and including July 7, 2005.

2. Nothing contained herein shall prevent the Commission from entering a final decision in this case prior to the termination of the suspension period.

Done at Frankfort, Kentucky, this 3rd day of February, 2005.

By the Commission

ATTEST:

