

COMMONWEALTH OF KENTUCKY
BEFORE THE PUBLIC SERVICE COMMISSION

In the Matter of:

AN ADJUSTMENT OF THE GAS RATES OF THE) CASE NO.
UNION LIGHT, HEAT AND POWER COMPANY) 2005-00042

O R D E R

On February 25, 2005, The Union Light, Heat and Power Company ("ULH&P") tendered its application for an adjustment of its gas rates based on a forward-looking test period. The application was administratively determined to satisfy the minimum filing requirements and was considered filed as of February 25, 2005.

ULH&P selected April 1, 2005 as the effective date of its proposed rates. Based on a review of ULH&P's rate application, the Commission finds that an investigation is necessary to determine the reasonableness of the proposed rates and that investigation cannot be concluded by April 1, 2005. Therefore, pursuant to KRS 278.190(2), ULH&P's proposed rates should be suspended for the maximum time allowed and a procedural schedule should be established to conduct the investigation.

The Commission expects the parties to use their best efforts to informally resolve any discovery disputes or requests for extensions of time. Any such informal resolution should be promptly reduced to writing and filed with the Commission and all parties of record. Absent informal resolution, an objection or motion should be filed at least 4 business days prior to the established due date or should explain why it could not have been filed upon 4 business days' notice.

IT IS THEREFORE ORDERED that:

1. ULH&P's proposed rates are suspended for 6 months from April 1, 2005, up to and including September 30, 2005.
2. The procedural schedule set forth in Appendix A, which is attached hereto and incorporated herein, shall be followed.
3. All requests for information and responses thereto shall be appropriately indexed and 7 copies shall be filed with the Commission, with copies to all parties of record. Any request for information from the Commission Staff shall be responded to as if set forth in a Commission Order. All responses shall include the name of the witness who will be responsible for responding to questions at any hearing in this proceeding related to the information provided.
4. Any party filing testimony shall file an original and 10 copies.
5. ULH&P shall give notice of the hearing in accordance with the provisions set out in 807 KAR 5:011, Section 8(5). At the time publication is requested, ULH&P shall forward a duplicate of the notice and request to the Commission.
6. At any public hearing in this matter, neither opening statements nor summarization of direct testimonies shall be permitted.
7. Any objections or motions relating to discovery or procedural dates shall be filed upon 4 business days' notice or shall include an explanation why such notice was not possible.
8. Nothing contained herein shall prevent the Commission from entering further Orders in this matter.

Done at Frankfort, Kentucky, this 21st day of March, 2005.

By the Commission

ATTEST:



Executive Director

Case No. 2005-00042

APPENDIX A

APPENDIX TO AN ORDER OF THE KENTUCKY PUBLIC SERVICE
COMMISSION IN CASE NO. 2005-00042 DATED March 21, 2005

- All initial requests for information to ULH&P shall
be filed no later than..... 04/05/05
- ULH&P shall file responses to initial requests for
information no later than..... 04/19/05
- All supplemental requests for information to ULH&P
shall be filed no later than 05/03/05
- ULH&P shall file responses to supplemental requests
for information no later than 05/17/05
- Intervenor testimony, if any, in verified prepared form
shall be filed no later than 06/01/05
- All requests for information to Intervenors shall be
filed no later than..... 06/15/05
- Intervenors shall file responses to request for
information no later than..... 06/29/05
- ULH&P shall file rebuttal testimony, in verified
form no later than 07/13/05
- Pursuant to KRS 278.192(2)(b), actual results for the estimated
months of the base period shall be filed no later than 07/15/05
- Pursuant to 807 KAR 5:001, Section 10(8)(d), last day
to file corrections of mathematical errors in the forecasted
test period or revisions reflecting statutory or regulatory
enactments that could not, with reasonable diligence,
have been included in the forecast on the date it was filed 07/15/05
- All requests for information on ULH&P's rebuttal
testimony shall be filed no later than 07/22/05

APPENDIX A (continued)

ULH&P shall file responses to rebuttal requests
for information no later than 08/03/05

Last day for ULH&P to publish notice of hearing 08/08/05

Public Hearing is to begin at 9:00 a.m., Eastern
Daylight Time, in Hearing Room 1 of the Commission's
offices at 211 Sower Boulevard, Frankfort, Kentucky,
for the purpose of cross-examination of witnesses of
ULH&P and Intervenors 08/15/05

Briefs, if any, shall be filed by 09/21/05