

COMMONWEALTH OF KENTUCKY  
BEFORE THE PUBLIC SERVICE COMMISSION

In the Matter of:

JOINT APPLICATION OF DUKE	)	
ENERGY CORPORATION, DUKE	)	
ENERGY HOLDING CORP., DEER	)	
ACQUISITION CORP., COUGAR	)	
ACQUISITION CORP., CINERGY	)	CASE NO. 2005-00228
CORP., THE CINCINNATI GAS &	)	
ELECTRIC COMPANY AND THE	)	
UNION LIGHT, HEAT AND POWER	)	
COMPANY FOR APPROVAL OF A	)	
TRANSFER AND ACQUISITION	)	
OF CONTROL	)	

O R D E R

On August 1, 2005, the Commission received an application filed by Duke Energy Corporation, Duke Energy Holding Corp., Deer Acquisition Corp., Cougar Acquisition Corp., Cinergy Corp., The Cincinnati Gas & Electric Company, and The Union Light, Head and Power Company (“ULH&P”) requesting approval, under KRS 278.020(5) and 278.020(6), of the transfer and acquisition of control of ULH&P. Pursuant to KRS 278.020(6), the Commission has 60 days in which to consider an application for approval of the transfer and acquisition of control, unless it is necessary, upon a finding of good cause, to continue the application for an additional 60 days. Based on a review of the application, which includes a proposed procedural schedule based on a 120-day review period and the supporting testimony of ten witnesses, the Commission finds that the complex nature of the proposed transaction constitutes good cause to extend the statutory review period from 60 to 120 days.

The Commission further finds that a procedural schedule should be established to review and investigate the merits of the pending application, and that the Chairman of the Board and Chief Executive Officer of Duke Energy Corporation should file prepared direct testimony on, but not limited to, the issues of quantification of merger savings; the basis for the allocation of merger costs and merger savings between shareholders and ratepayers in the first 5 years following the merger; post-merger strategic vision for the regulated utility businesses, including any separation of electric and gas businesses, and for the unregulated utility and non-utility businesses; and electric deregulation and retail restructuring in general, and in Kentucky specifically.

IT IS THEREFORE ORDERED that:

1. The 60-day time limit for review of the pending application shall be extended for an additional 60 days, pursuant to KRS 278.020(6).
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 10 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. Applicants 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, Applicants 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. Nothing contained herein shall prevent the Commission from entering further Orders in this matter.

Done at Frankfort, Kentucky, this 9<sup>th</sup> day of August, 2005.

By the Commission

ATTEST:

  
Executive Director

APPENDIX A

APPENDIX TO AN ORDER OF THE KENTUCKY PUBLIC SERVICE  
COMMISSION IN CASE NO. 2005-00228 DATED August 9, 2005

- All initial requests for information to applicants shall be filed no later than ..... 08/16/05
- Applicants shall file responses to initial requests for information no later than ..... 08/30/05
- All supplemental requests for information to applicants shall be filed no later than ..... 09/08/05
- Applicants shall file responses to supplemental requests for information no later than ..... 09/16/05
- Intervenor testimony, if any, in verified prepared form shall be filed no later than ..... 09/28/05
- All requests for information to intervenors shall be filed no later than ..... 10/05/05
- Intervenors shall file responses to requests for information no later than ..... 10/14/05
- Last day for applicants to publish notice of hearing.....(to be scheduled)
- 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 applicants and intervenors .....(to be scheduled)
- Simultaneous briefs, if any, shall be filed by..... 11/02/05
- Final Order shall be issued no later than..... 11/29/05