

COMMONWEALTH OF KENTUCKY
BEFORE THE PUBLIC SERVICE COMMISSION

In the Matter of:

APPLICATION OF DUKE ENERGY KENTUCKY, INC.)	
FOR AN ORDER APPROVING THE ESTABLISHMENT)	CASE NO.
OF A REGULATORY ASSET RELATED TO VOLUNTARY)	2010-00523
OPPORTUNITY AND OTHER POST-RETIREMENT)	
EXPENSES)	

O R D E R

On December 29, 2010, Duke Energy Kentucky, Inc. ("Duke Kentucky") filed an application requesting the issuance of an accounting order authorizing it to defer for future recovery the actual amounts and accruals incurred for a voluntary employee severance plan totaling approximately \$4.37 million. The application contained a detailed explanation of the basis for the request, but did not include any verified prepared testimony. The Commission established a procedural schedule that provided for discovery, but no additional procedural steps.

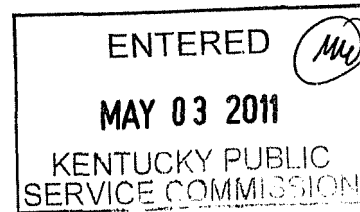
Based on a review of the existing record, the Commission finds that Duke Kentucky should file within seven days of the date of this Order a written request to schedule a hearing or, in the alternative, to submit this case for a decision on the existing evidence of record without a hearing. If Duke Kentucky requests a hearing, it should file testimony 14 days after filing its request for a hearing.

IT IS THEREFORE ORDERED that:

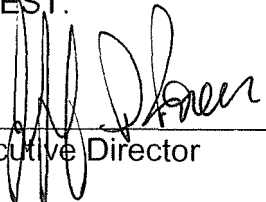
1. Duke Kentucky shall file, within seven days of the date of this Order, a written request to schedule a hearing or to submit this case for a decision based on the existing evidence of record.

2. If Duke Kentucky files a request for a hearing, it shall file testimony in verified prepared form no later than 14 days thereafter.

By the Commission



ATTEST:



Executive Director

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