

BOEHM, KURTZ & LOWRY
ATTORNEYS AT LAW
36 EAST SEVENTH STREET, SUITE 1510
CINCINNATI, OHIO 42502
TELEPHONE (513) 421-2255
TELECOPIER (513) 421-2764

VIA OVERNIGHT MAIL

September 6, 2005

Beth A. O'Donnell, Executive Director
Kentucky Public Service Commission
211 Sower Boulevard
Frankfort, Kentucky 40602

RECEIVED

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PUBLIC SERVICE
COMMISSION

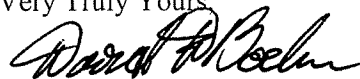
Re: Case No. 2003-00266

Dear Ms. O'Donnell:

After much consideration, KIUC has decided not to file an Initial Brief in the within matter. As the Commission knows, KIUC has been closely involved in this matter from its outset; has participated in virtually all pre-hearing settlement and discovery conferences and reviewed the voluminous evidentiary record compiled over these many months. That record raises issues of a nature and complexity unmatched in our many years of experience in state utility regulatory proceedings. Transmission issues, which are the principal focus of this proceeding, have historically been matters for the FPC or the FERC and not for state regulatory commissions and present new and unfamiliar technical questions. Compounding this enormously is the Byzantine complexity of an untried energy market superimposed on this novel and still evolving transmission structure. After long, sober reflection, we are convinced that we have not the expertise or resources to intelligently advocate a position in this case in a brief that would be useful to the Commission.

By copy of this letter, all parties listed on the attached Certificate of Service been served. Please place this document of file.

Very Truly Yours,



David F. Boehm, Esq.

BOEHM, KURTZ & LOWRY

MLKkew
Attachment

cc: Certificate of Service
Richard Raff, Esq.

CERTIFICATE OF SERVICE

I hereby certify that a copy of the foregoing was served to all parties by electronic mail this 6 day of September, 2005.

Honorable Benjamin D. Allen
Attorney at Law
Yunker & Associates
P. O. Box 21784
Lexington, KY 40522-1784
ballen@desuetude.com

Honorable Michael E. Allen
Attorney at Law
Midwest ISO
701 City Center Drive
Carmel, IN 46032

Honorable Elizabeth E. Blackford
Assistant Attorney General
Office of the Attorney General
Utility & Rate Intervention Division
1024 Capital Center Drive
Suite 200
Frankfort, KY 40601-8204
betsy.blackford@law.state.ky.us

Kent W. Blake
Director State Regulations and Rates
Kentucky Utilities Company
220 W. Main Street
P. O. Box 32010
Louisville, KY 40232-2010
kent.blake@lgeenergy.com

Honorable Elizabeth L. Cocanougher
Senior Corporate Attorney
Louisville Gas and Electric Company
220 W. Main Street
P. O. Box 32010
Louisville, KY 40232-2010

Honorable J. Gregory Cornett
Attorney at Law
Ogden, Newell & Welch, PLLC
1700 PNC Plaza
500 West Jefferson Street
Louisville, KY 40202-2874
gcornett@ogdenlaw.com

Honorable W. Duncan Crosby III
Attorney at Law
Ogden, Newell & Welch, PLLC
1700 PNC Plaza
500 West Jefferson Street
Louisville, KY 40202-2874
dcrosby@ogdenlaw.com

Honorable James C. Holsclaw
Attorney at Law
Midwest ISO
701 City Center Drive
Carmel, IN 46032

Honorable Dorothy E. O'Brien
Deputy General Counsel
Louisville Gas and Electric Company
P. O. Box 32010
Louisville, KY 40232-2010

Honorable Kendrick R. Riggs
Attorney at Law
Ogden, Newell & Welch, PLLC
1700 PNC Plaza
500 West Jefferson Street
Louisville, KY 40202-2874
kriggs@ogdenlaw.com

Honorable Stephen L. Teichler
Attorney
DUANE MORRIS, LLP
1667 K. Street N.W., Suite 700
Washington, DC 20006-1608

John Wolfram
Manager, Regulatory Policy/Strategy
Louisville Gas and Electric Company
220 W. Main Street
P. O. Box 32010
Louisville, KY 40232-2010

Honorable Katherine K. Yunker
Attorney At Law
Yunker & Associates
P. O. Box 21784
Lexington, KY 40522-1784
yunker@desuetude.com



David F. Boehm, Esq.