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July 20, 2006

COMMISSI

Ms. Beth O'Donnell
Executive Director
Kentucky Public Service Commission
211 Sower Boulevard
P.O. Box 615
Frankfort, Kentucky 40602

Re.

PSC Case No. 2006-00128

Dear Ms. O'Donnell:

By letter dated July 7, 2006, Mr. Michael Kurtz, on behalf of KIUC, notified the Commission that the KIUC does not object to submission of this case to the Commission without a hearing. Also, the filing of Ms. Betsy Blackford, on behalf of the Attorney General, indicated that her office would not object to submitting this case on the record. Please be advised that Kentucky Power Company similarly has no objection to submission of this case for decision without a hearing.

Certainly if the Commission or the staff desires a hearing, Kentucky Power would be pleased to proceed with the scheduling order. If not, though, please advise whether a formal motion will be required to have this matter submitted.

Thank you for your consideration.

Sincerely,

STITES & HARBISON, PLLC

Bruce F. Clark

cc: Errol K. Wagner

Elizabeth E. Blackford

Michael L. Kurtz

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