Ernie Fletcher Governor

Teresa J. Hill, Secretary Environmental and Public Protection Cabinet

Timothy J. LeDonne Commissioner Department of Public Protection

Honorable Michael L. Kurtz Attorney at Law Boehm, Kurtz & Lowry 36 East Seventh Street Suite 1510 Cincinnati, OH 45202



Commonwealth of Kentucky Public Service Commission 211 Sower Blvd. P.O. Box 615 Frankfort, Kentucky 40602-0615 Telephone: (502) 564-3940 Fax: (502) 564-3460 psc.ky.gov

August 21, 2007

Mark David Goss Chairman

> John W. Clay Vice Chairman

Caroline Pitt Clark Commissioner

RE: Case No. 2006-00507

We enclose one attested copy of the Commission's Order in the above case.

Sincerely,

Beth O'Donnell Executive Director



Ernie Fletcher Governor

Teresa J. Hill, Secretary Environmental and Public Protection Cabinet

Timothy J. LeDonne Commissioner Department of Public Protection

Timothy C. Mosher American Electric Power 101A Enterprise Drive P. O. Box 5190 Frankfort, KY 40602



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BOD/tw Enclosure

KentuckyUnbridledSpirit.com

Kentuc

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COMMONWEALTH OF KENTUCKY

BEFORE THE PUBLIC SERVICE COMMISSION

In the Matter of:

AN EXAMINATION OF THE APPLICATION OF THE FUEL ADJUSTMENT CLAUSE OF AMERICAN ELECTRIC POWER COMPANY FROM NOVEMBER 1, 2004 THROUGH OCTOBER 31, 2006

CASE NO. 2006-00507

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ORDER

This matter is before the Commission on its own motion. The Attorney General ("AG") is made a party to this proceeding and shall serve copies of any and all documents or pleadings filed with the Commission to all other parties of record. In light of an August 1, 2007 Opinion and Order entered by the Franklin Circuit Court in the matter of *Commonwealth of Kentucky, ex rel. Gregory D. Stumbo, Attorney General, v. Public Service Commission and Union Light, Heat and Power Company*, Civil Action 06-CI-269, the parties are requested to brief whether the relief sought by American Electric Power Company ("AEP") is lawful.

Accordingly, IT IS HEREBY ORDERED that:

1. The Attorney General is made a party to this proceeding and shall serve copies of any and all documents or pleadings filed with the Commission to all other parties of record.

2. The AG and Kentucky Industrial Utility Customers, Inc. ("KIUC") shall file with the Commission a Memorandum of Law regarding the lawfulness of the relief sought by AEP in this matter no later than 5:00 p.m., Eastern Daylight Time, on

August 24, 2007, and shall serve by electronic mail a copy of said Memorandum of Law on counsel for AEP.

3. AEP shall file with the Commission a responsive Memorandum of Law regarding the lawfulness of the relief it seeks in this matter no later than 5:00 p.m. on August 29, 2007, and shall serve by electronic mail a copy of said Memorandum of Law on the AG and KIUC.

Done at Frankfort, Kentucky, this 21st day of August, 2007.

By the Commission

ATTEST xecutive Director