Commonwealth of Kentucky
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John J. Finnigan, Jr.
Duke Energy Kentucky, Inc.
139 East Fourth Street, EX 400
Cincinnati, OH 45202

December 10, 2007

RE: Case No. 2007-00369

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

Sincerely,

Beth O'Donnell
Executive Director

BOD/rs
Enclosure

COMMONWEALTH OF KENTUCKY

BEFORE THE PUBLIC SERVICE COMMISSION

In the Matter of:

THE ANNUAL COST RECOVERY FILING   )
FOR DEMAND SIDE MANAGEMENT BY   )   CASE NO. 2007-00369
DUKE ENERGY KENTUCKY, INC.   )

O R D E R

On November 15, 2007, Duke Energy Kentucky, Inc. ("Duke Energy") filed its annual Demand Side Management ("DSM") status report as well as an application for continuation of its Power Management Program and Personalized Energy Report Program and a proposed adjustment to the 2007 DSM Cost Recovery Riders. Duke Energy's application provides that the new rates will take effect 30 days from the date of the filing of the application.

Based on a review of the application and the proposed riders and being otherwise sufficiently advised, the Commission finds that an investigation of the new rates is necessary to determine their reasonableness and that such investigation cannot be concluded prior to the effective date. Consequently, pursuant to KRS 278.190(2), the Commission will suspend the effective date of the new rates for 5 months.

IT IS THEREFORE ORDERED that Duke Energy's proposed DSM Cost Recovery Riders are suspended for a period of 5 months from December 15, 2007 up to and including May 14, 2008.

Done at Frankfort, Kentucky, this 10th day of December, 2007.

By the Commission

ATTEST:
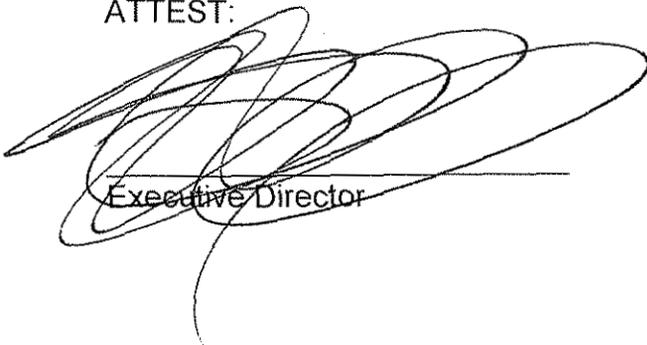
Executive Director

Case No. 2007-00369