



Steven L. Beshear
Governor

Robert D. Vance, Secretary
Environmental and Public
Protection Cabinet

Larry R. Bond
Commissioner
Department of Public Protection

Commonwealth of Kentucky
Public Service Commission
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John W. Clay
Vice Chairman

Caroline Pitt Clark
Commissioner

May 14, 2008

TO: PARTIES OF RECORD
RE: Case Nos. 2007-00562 and 2007-00563
Louisville Gas and Electric Company and Kentucky Utilities Company

Enclosed is a memorandum that has been filed in the records of the above-referenced cases. Any comments regarding the content of this memorandum should be submitted to the Commission within five days of receipt of this letter. Questions regarding this memorandum should be directed to Chris Whelan at (502) 564-3940, Extension 233.

Sincerely,

A handwritten signature in black ink, appearing to read "Stephanie Stumbo".

Stephanie Stumbo
Executive Director

Enclosure

INTRA-AGENCY MEMORANDUM
KENTUCKY PUBLIC SERVICE COMMISSION

TO: Case File Nos. 2007-00562 and 2007-00563
FROM: Chris Whelan,^{MCW} Team Leader
DATE: May 14, 2008
RE: Informal Conference

On May 13, 2008, Commission Staff held an informal conference ("IC") with representatives of Louisville Gas and Electric Company ("LG&E"), Kentucky Utilities Company ("KU"), the Attorney General, and Kentucky Industrial Utility Customers, Inc. ("KIUC"). The purpose of the conference was to continue discussion of LG&E's and KU's applications to withdraw their merger surcredit rider tariffs effective June 30, 2008. LG&E and KU requested the conference and Staff issued notice of the IC on May 12, 2008.

The parties held discussions in an effort to reach a settlement agreement. However, no settlement was reached and the IC adjourned.

cc: Parties of Record

Attachment: Sign-In Sheet

COMMONWEALTH OF KENTUCKY
BEFORE THE PUBLIC SERVICE COMMISSION

In the Matter of:

THE PLAN OF LOUISVILLE GAS)
AND ELECTRIC COMPANY FOR)
THE FUTURE DISPOSITION OF THE)
MERGER SURCREDIT MECHANISM)

CASE NO. 2007-00562

THE PLAN OF KENTUCKY UTILITIES)
COMPANY FOR THE FUTURE)
DISPOSITION OF THE MERGER)
SURCREDIT MECHANISM)

CASE NO. 2007-00563

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May 13, 2008 Informal Conference
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Please sign in:

NAME

REPRESENTING

<u>Chris Whelan</u>	<u>PSC</u>
<u>Julie R. [Signature]</u>	<u>EXD EOW</u>
<u>[Signature]</u>	<u>F.ON</u>
<u>KENT BLAKE</u>	<u>LGE/KU</u>
<u>Lonnie Bellan</u>	<u>LGPE/KU</u>
<u>Allison Sturgeon</u>	<u>LG+E/KU</u>
<u>Paul [Signature]</u>	<u>AG</u>
<u>Larry Cook</u>	<u>AG</u>
<u>Dennis Howard</u>	<u>GAG</u>
<u>Mike Kurtz</u>	<u>KIUC</u>
<u>JEFF JOHNSON</u>	<u>PSC</u>
<u>[Signature]</u>	<u>PSC</u>
<u>Richard [Signature]</u>	<u>PSC-LEGAL</u>
<u>Quang D. Nguyen</u>	<u>PSC - Legal</u>