COMMONWEALTH OF KENTUCKY

BEFORE THE PUBLIC SERVICE COMMISSION

In the Matter of:

APPLICATION OF KENTUCKY UTILITIES COMPANY FOR AN ADJUSTMENT OF ELECTRIC BASE RATES

CASE NO. 2008-00251

)

<u>O R D E R</u>

On July 18, 2008, Kentucky Utilities Company ("KU") filed a report containing detailed findings and recommendations relating to a 3-year pilot program implementing a Small-Time-of-Day Service ("STOD") tariff. The STOD tariff offers time-of-day rates for commercial customers with maximum monthly demands greater than 250 kW and less than 2,000 kW during calendar year 2003. Based on KU's analysis of the 3-year pilot STOD tariff, KU recommends that the tariff be discontinued.

Based on a review of KU's report on the STOD tariff and being otherwise sufficiently advised, the Commission finds that KU's report, which was prepared jointly with its affiliate, Louisville Gas and Electric Company, should be filed in and considered in conjunction with KU's pending application for an adjustment in base rates. The Commission further finds that KU should serve a copy of its report on each party that has already been granted, or is subsequently granted, intervention in this case.

IT IS THEREFORE ORDERED that:

1. KU's report on the STOD tariff shall be filed in and considered part of KU's base rate application in this case.

2. KU shall serve a copy of its report on the STOD tariff on each party that has been granted, or is subsequently granted, intervention in this case.

Done at Frankfort, Kentucky, this 6th day of October, 2008.

By the Commission

Chairman Armstrong abstains. Vice Chairman Gardner abstains.

ATTEST:

Executive Director m/permission

Case No. 2008-00251

Lonnie E. Bellar Vice President - State Regulation Kentucky Utilities Company 220 West Main Street P. O. Box 32010 Louisville, KY 40202

Honorable Dennis G. Howard II Assistant Attorney General Office of the Attorney General Utility & Rate Intervention Division 1024 Capital Center Drive Suite 200 Frankfort, KY 40601-8204 Honorable David C. Brown, Esq. Attorney at Law Stites & Harbison, PLLC 1800 Providian Center 400 West Market Street Louisville, KY 40202

Honorable Michael L. Kurtz Attorney at Law Boehm, Kurtz & Lowry 36 East Seventh Street Suite 1510 Cincinnati, OH 45202 Joe F. Childers Getty & Childers 1900 Lexington Financial Center 250 West Main Street Lexington, KY 40507

Willis L. Wilson Attorney Sr. Lexington-Fayette Urban County Government Department Of Law 200 East Main Street Lexington, KY 40507