



Steven L. Beshear  
Governor

Leonard K. Peters  
Secretary  
Energy and Environment Cabinet

Commonwealth of Kentucky  
**Public Service Commission**  
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David L. Armstrong  
Chairman

James W. Gardner  
Vice Chairman

Charles R. Borders  
Commissioner

June 23, 2011

**PARTIES OF RECORD**

RE: Informal Conference  
Case No. 2011-00124

Enclosed please find a memorandum that has been filed in the record of the above-referenced case. Any comments regarding the contents of the memorandum should be submitted to the Commission within seven days of receipt of this letter. Any questions regarding this memorandum should be directed to Richard Raff of the Commission Staff at 502-564-3940, extension 263.

Sincerely,

A handwritten signature in black ink, appearing to read "Jeff Derouen".

Jeff Derouen  
Executive Director

Attachment

**INTRA-AGENCY MEMORANDUM**

**KENTUCKY PUBLIC SERVICE COMMISSION**

**TO:** Main Case File - Case No. 2011-00124

**FROM:** Richard Raff, Staff Attorney

**DATE:** June 23, 2011

**RE:** Informal Conferences of June 8 and June, 17 2011

On June 8, and June 17, 2011, Informal Conferences "(IC)" were convened in this case at the Commission's Frankfort offices and were attended by representatives of Duke Energy Corporation ("Duke Energy"), Progress Energy, Inc. ("Progress"), the Attorney General of the Commonwealth of Kentucky and Commission Staff. The attendance lists for the two meetings are attached to this memorandum.

The purpose of the June 8<sup>th</sup> IC was to discuss possible settlement of the issues in this case regarding the acquisition of Progress by Duke Energy. After some discussion of settlement terms on June 8, the parties adjourned the meeting with the expectation that an additional IC would be held the following week to continue the discussion. The parties reconvened at the Commission's offices on June 17 and informed staff that they had met earlier in the week and reached an agreement in principle to the terms of a settlement. The terms of the settlement were discussed and, once reduced to writing and filed, the settlement is intended to be a complete resolution of all issues in the case. The parties indicated their intent to file the settlement agreement with the Commission prior to the hearing on July 8. Procedural items related to the hearing were also discussed.

There being no other matters to discuss, the IC was adjourned.

cc: Parties of Record

Attachments

COMMONWEALTH OF KENTUCKY  
BEFORE THE PUBLIC SERVICE COMMISSION

In the Matter of:

JOINT APPLICATION OF DUKE ENERGY )  
CORPORATION, CINERGY CORP., DUKE )  
ENERGY OHIO, INC., DUKE ENERGY ) CASE NO.  
KENTUCKY, INC., DIAMOND ACQUISITION ) 2011-00124  
CORPORATION, AND PROGRESS ENERGY, )  
INC. FOR APPROVAL OF THE INDIRECT )  
TRANSFER OF CONTROL OF DUKE ENERGY )  
KENTUCKY, INC. )

June 8, 2011

Please sign in:

NAME	REPRESENTING
<u>RICHARD RAFF</u>	<u>PSC-LEGAL</u>
<u>JEFF SHAW</u>	<u>PSC-FIN. ANALYSTS</u>
<u>Lamy Cook</u>	<u>OAG</u>
<u>JENNIFER BLACK HANS</u>	<u>OAG</u>
<u>David Samford</u>	<u>FBT</u>
<u>Joe Newberg</u>	<u>OAG</u>
<u>BOBBY SINGH</u>	<u>PROGRESS</u>
<u>Rocco D'Ascenzo</u>	<u>DUKE</u>
<u>Julie Janson</u>	<u>Duke Ky</u>
<u>MARK GROSS</u>	<u>FBT</u>
<u> </u>	<u> </u>
<u> </u>	<u> </u>

COMMONWEALTH OF KENTUCKY  
BEFORE THE PUBLIC SERVICE COMMISSION

In the Matter of:

JOINT APPLICATION OF DUKE ENERGY	)	
CORPORATION, CINERGY CORP., DUKE	)	
ENERGY OHIO, INC., DUKE ENERGY	)	CASE NO.
KENTUCKY, INC., DIAMOND ACQUISITION	)	2011-00124
CORPORATION, AND PROGRESS ENERGY,	)	
INC. FOR APPROVAL OF THE INDIRECT	)	
TRANSFER OF CONTROL OF DUKE ENERGY	)	
KENTUCKY, INC.	)	

June 8, 2011

Please sign in:

NAME	REPRESENTING
Sarah Cate	PSC
Chae Whelan	PSC - Financial Analysis
Vicky Townes	PSC - FA
GARY GLOVER	PSC ENGINEERING
Bob Russell	PSC
BOBBY SINGH	PROGRESS

COMMONWEALTH OF KENTUCKY  
BEFORE THE PUBLIC SERVICE COMMISSION

In the Matter of:

JOINT APPLICATION OF DUKE ENERGY	)	
CORPORATION, CINERGY CORP., DUKE	)	
ENERGY OHIO, INC., DUKE ENERGY	)	CASE NO.
KENTUCKY, INC., DIAMOND ACQUISITION	)	2011-00124
CORPORATION, AND PROGRESS ENERGY,	)	
INC. FOR APPROVAL OF THE INDIRECT	)	
TRANSFER OF CONTROL OF DUKE ENERGY	)	
KENTUCKY, INC.	)	

June 17, 2011

Please sign in:

NAME	REPRESENTING
<u>RICHARD RAFF</u>	<u>PSC - LEGAL</u>
<u>JEFF SHAW</u>	<u>PSC - FA</u>
<u>Lant Cook</u>	<u>OAG</u>
<u>JENNIFER BRACK HANS</u>	<u>OAG</u>
<u>David Samford</u>	<u>FBI</u>
<u>RODNEY PULLI</u>	<u>OAG</u>
<u>Sarah Cate</u>	<u>PSC</u>
<u>Chris Whelan</u>	<u>PSC - Financial Analysis</u>
<u>Vicky Townes</u>	<u>PSC - FA</u>
<u>GARY GLOVER</u>	<u>PSC ENGINEERING</u>
<u>Bob Russell</u>	<u>PSC</u>
<u>Rocco D'Ascenzo</u>	<u>Duke Energy</u>
<u>Julie Janson</u>	<u>Duke Energy Ky</u>
<u>Mark D. Gon</u>	<u>FBI for Duke Energy</u>
<u>Bobby Singh</u>	<u>Progress - via phone</u>