



Steven L. Beshear
Governor

Leonard K. Peters
Secretary
Energy and Environment Cabinet

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

David L. Armstrong
Chairman

James W. Gardner
Vice Chairman

Charles R. Borders
Commissioner

July 26, 2011

Parties of Record:

Case No. 2010-00161

APPLICATION OF KENTUCKY UTILITIES COMPANY FOR CERTIFICATES OF PUBLIC CONVENIENCE AND NECESSITY AND APPROVAL OF ITS 2011 COMPLIANCE PLAN FOR RECOVERY BY ENVIRONMENTAL SURCHARGE

and

Case No. 2010-00162

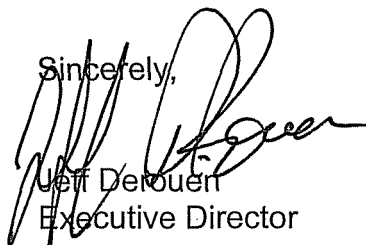
APPLICATION OF LOUISVILLE GAS AND ELECTRIC COMPANY FOR CERTIFICATES OF PUBLIC CONVENIENCE AND NECESSITY AND APPROVAL OF ITS 2011 COMPLIANCE PLAN FOR RECOVERY BY ENVIRONMENTAL SURCHARGE

In early June 2011, the Commission made a decision to employ a consultant, pursuant to KRS 278.183(4), to assist in its review of the record in these cases. A Request for Proposals ("RFP") was issued on June 8, 2011, a copy of which is posted on the Commission's website. The Commission received four proposals in response to the RFP, including one submitted by Vantage Consulting, LLC. , in conjunction with a subcontractor, Charles D. Buechel. Mr. Buechel was previously employed by the Commission in the 1980s.

One member of the Commission's executive staff, Aaron Greenwell, Deputy Executive Director, plays golf with various members of a group of which Mr. Buechel is a member. This year, Mr. Greenwell and Mr. Buechel were paired together in one round of golf in late May 2011. Mr. Greenwell disclosed this to the Commission, he did not participate in the evaluation of any of the proposals received or any recommendation to the Commission, and he was not present during the Commission's discussion leading to the selection of a consultant. The Commission did select Vantage Consulting to be employed in these cases. Mr. Greenwell will ensure that he will not be paired with Mr. Buechel in any future rounds of golf during the pendency of these cases.

As part of Mr. Greenwell's duties at the Commission, he will be working with other staff members on the issues in these cases. If any of the parties to either of these cases wish to comment on, or object to, Mr. Greenwell's continued participation as a staff member in either of these cases, please do so in writing within ten days from the date of this letter.

Sincerely,



Jeff Derouen
Executive Director