Ernie Fletcher Governor

LaJuana S. Wilcher, Secretary Environmental and Public Protection Cabinet

Christopher L. Lilly Commissioner Department of Public Protection H O SECULO

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 Mark David Goss Chairman

> Teresa J. Hill Vice Chairman

Gregory Coker Commissioner

February 24, 2006

Lawrence W. Cook
Assistant Attorney General
Office of the Attorney General Utility & Rate Intervention Division
1024 Capital Center Drive
Suite 200
Frankfort, KY 40601-8204

RE: Case No. 2005-00402

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

Sincerely,

Beth O'Donnell Executive Director

BOD/jc Enclosure



Lawrence W. Cook Assistant Attorney General Office of the Attorney General Utility & Rate Intervention Division 1024 Capital Center Drive Suite 200 Frankfort, KY 40601-8204 Honorable John J. Finnigan, Jr. Senior Counsel The Union Light, Heat and Power Company 139 East Fourth Street Cincinnati, OH 45202

COMMONWEALTH OF KENTUCKY

BEFORE THE PUBLIC SERVICE COMMISSION

In the Matter of:

IE ANNUAL COST RECOVERY FILING FOR)	
DEMAND SIDE MANAGEMENT BY THE UNION)	CASE NO.
LIGHT, HEAT AND POWER COMPANY)	2005-00402

ORDER

On February 8, 2006, The Union Light, Heat and Power Company ("ULH&P") filed a motion requesting that the Commission bifurcate this proceeding in order to issue an expedited decision on ULH&P's proposal to increase the funding for its Commercial and Industrial High Energy Efficiency ("HEE") Program. ULH&P also requested that the Commission establish a procedural schedule that would give the parties an opportunity to file comments on ULH&P's Personalized Energy Report Pilot ("PER") Program.

On February 14, 2006, ULH&P filed a motion to withdraw its request that this proceeding be bifurcated, stating that it had determined that such a request was not necessary. ULH&P based this determination on the Commission's January 3, 2006 Order which extended the existing demand-side management ("DSM") programs and DSM tariff riders until a final Order is issued on its proposed modifications and additions to those programs. With this filing, ULH&P also amended its request for a procedural schedule to reflect the dates upon which the parties agree to file comments. The proposed schedule would allow the Attorney General of the Commonwealth of Kentucky ("AG"), by and through his Office of Rate Intervention, to file comments by March 10, 2006, and allow ULH&P to file reply comments by March 17, 2006.

SUMMARY

The Commission, based on the evidence of record and being otherwise sufficiently advised, finds that:

- ULH&P's motion to withdraw its request to bifurcate the issue of funding its HEE program from the other issues in this case should be granted.
- 2. ULH&P's proposed dates for the filing of comments by the AG and reply comments by ULH&P are reasonable and should be approved.

IT IS THEREFORE ORDERED that:

- 1. ULH&P's motion to withdraw its request to bifurcate the HEE program funding issue from the other issues in this case is granted.
- 2. The AG shall file written comments, if any, on ULH&P's proposed PER program no later than March 10, 2006.
 - 3. ULH&P shall file its reply comments, if any, no later than March 17, 2006.

 Done at Frankfort, Kentucky, this 24th day of February, 2006.

By the Commission

Executive Director

ATTEST