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Assistant Attorney General
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1024 Capital Center Drive
Suite 200
Frankfort, KY 40601-8204

July 24, 2006

RE: Case No. 2006-00128

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

Sincerely,

A handwritten signature in black ink, appearing to read "Beth O'Donnell".

Beth O'Donnell
Executive Director

BOD/jc
Enclosure

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COMMONWEALTH OF KENTUCKY
BEFORE THE PUBLIC SERVICE COMMISSION

In the Matter of:

AN EXAMINATION BY THE PUBLIC SERVICE)	
COMMISSION OF THE ENVIRONMENTAL)	
SURCHARGE MECHANISM OF KENTUCKY)	
POWER COMPANY FOR THE SIX-MONTH)	CASE NO.
BILLING PERIODS ENDING DECEMBER 31, 2002,)	2006-00128
DECEMBER 31, 2003, JUNE 30, 2004,)	
DECEMBER 31, 2004, AND DECEMBER 31, 2005,)	
AND FOR THE TWO-YEAR BILLING PERIODS)	
ENDING JUNE 30, 2003 AND JUNE 30, 2005)	

O R D E R

The Commission's April 25, 2006 Order established a procedural schedule providing for data requests, an informal conference, and *intervenor testimony*. The Attorney General ("AG")¹ and the Kentucky Industrial Utility Customers, Inc. ("KIUC")² submitted notices stating neither was filing testimony and, with the exception of reserving their objections to the inclusion of any costs relating to out-of-state generating facilities not qualifying for environmental surcharge recovery pursuant to KRS 278.183,³ did not object to submission of the case for decision on the current record. No further events are established by the procedural schedule.

IT IS THEREFORE ORDERED that Kentucky Power Company shall file, no later than 10 days from the date of this Order, a statement of whether there are any material

¹ The AG filed his Notice and Reservation of Rights on July 6, 2006.

² KIUC filed its notice on July 10, 2006.

³This issue is currently on appeal before the Franklin Circuit Court in Consolidated Cases No. 05-CI-1534, -1543, and -1544.

issues of fact that warrant a hearing or whether this case should be submitted for adjudication based on the existing record without a hearing.

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

By the Commission

ATTEST

Executive Director