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January 25, 2008

HAND DELIVERED

Michael F. Buford
Director, Division of Filings
Public Service Commission of Kentucky
211 Sower Boulevard
P.O. Box 615
Frankfort, Kentucky 40602-0615

Mark R. Overstreet
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RE: Case No. 2007-00446 (City of Wheelwright Franchise Agreement)

Dear Mr. Buford:

Thank you for your letter of January 24, 2008 regarding the status of the franchise agreement between Kentucky Power Company and the City of Wheelwright, Kentucky.

Although there have been no major issues and the Company believes an agreement will be reached, Kentucky Power remains in negotiations with the City. Kentucky Power will promptly file two copies of the franchise agreement when it is approved by the city commission and executed by the parties.

Please do not hesitate to contact me if you have any questions.

Very truly yours,


Mark R. Overstreet