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S T O L L · K E E N O N · O G D E N PUBLIC SERVICE

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May 23, 2008

VIA HAND DELIVERY

Stephanie L. Stumbo Executive Director Kentucky Public Service Commission 211 Sower Boulevard Frankfort, KY 40601

RE: <u>The Plan of Louisville Gas and Electric Company for the Future Disposition of</u> <u>the Merger Surcredit Mechanism</u> Case No. 2007-00562

<u>The Plan of Kentucky Utilities Company for the Future Disposition of the</u> <u>Merger Surcredit Mechanism</u> Case No. 2007-00563

Dear Ms. Stumbo:

At the beginning of the hearing before the Commission in Case Nos. 2007-00562 and 2007-00563 on May 15, 2008, I tendered to the court reporter on behalf of Louisville Gas and Electric Company ("LG&E") and Kentucky Utilities Company ("KU") proof of publication for the hearing. As I noted to the Commission at the time I tendered the proof of publication, the report from the Kentucky Press Service, Inc., which was included with the proof of publication, indicated that two small newspapers in KU's service territory had not published the notice, though they had been timely asked to do so.

Following my conversations with the Kentucky Press Association, I can now confirm for the Commission that the two small newspapers in question, the <u>Corbin Times Tribune</u> and the <u>Pineville Sun</u>, did not publish the notice of hearing as requested.

However, neither the <u>Corbin Times Tribune</u> nor the <u>Pineville Sun</u> is the newspaper of largest circulation in its respective county. In Whitley County, the <u>Williamsburg News Journal</u>, which did timely publish the notice, has a circulation of 8,431, whereas the <u>Corbin Times</u> <u>Tribune</u> has a circulation of only 6,722. In Bell County, the <u>Middlesboro Daily News</u>, which also did timely publish the notice, has a circulation of 5,862, whereas the <u>Pineville Sun</u> has a

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circulation of only 2,397. Also, the two newspapers of largest circulation in Kentucky, the Louisville Courier-Journal and the Lexington Herald-Leader, timely published the notice.

The Kentucky Press Association also advises that there is not a difference in the readership between the <u>Williamsburg News Journal</u> and the <u>Middlesboro Daily News</u>, on the one hand, and the <u>Pineville Sun</u> and the <u>Corbin Times Tribune</u>, on the other.

Commission regulation 807 KAR 5:001 § 10(5) requires that notice of a Commission hearing "be published in a newspaper of general circulation in the areas that will be affected...." The information above concerning the <u>Williamsburg News Journal</u> and the <u>Middlesboro Daily</u> <u>News</u> demonstrates that, as the newspapers of largest circulation in their respective counties, they are newspapers of general circulation in their counties. They are also the papers that satisfy the requirements under KRS 424.120(1)(d). I therefore respectfully submit that KU complied with the Commission's publication of notice requirement concerning the hearing in these proceedings.

Moreover, although KU through the Kentucky Press Association requested the <u>Pineville</u> <u>Sun</u> and the <u>Corbin Times Tribune</u> to publish notice, the failure of the newspapers to publish the notice should be treated as harmless error because of their smaller circulations in their respective counties, and because their circulations appears to coincide with the circulations of the larger newspapers that did publish the notice in their counties.

I therefore submit that the combination of all of the newspapers that did publish the notice constitutes sufficient and substantial compliance with the requirement to publish notice of the May 15, 2008 hearing, rendering unnecessary an additional hearing to take public comment.

Should you have any questions please contact me at your convenience.

Yours very truly,

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Kendrick R. Riggs

KRR:ec Enclosures cc: Parties of Record