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David L. Armstrong
Chairman

James W. Gardner
Vice Chairman

John W. Clay
Commissioner

October 15, 2008

TO: PARTIES OF RECORD
Case Nos. 2007-00564 and 2008-00252
Louisville Gas and Electric Company
and
Case Nos. 2007-00565 and 2008-00251
Kentucky Utilities Company

Attached are two informal conference memoranda which are being filed in the record of the above-referenced case. If you wish to make any comments regarding the contents of the memoranda, please do so within five days of receipt of this letter. Should you have any questions regarding this matter, please contact Richard Raff at 502/564-3940, Extension 263.

Sincerely,

A handwritten signature in black ink, appearing to read "D.S. Samford".

David S. Samford
Deputy Executive Director

RGR:v

INTRA-AGENCY MEMORANDUM
KENTUCKY PUBLIC SERVICE COMMISSION

TO: Main Case File Nos. 2007-00565 and 2008-00251

FROM: Richard Raff, Staff Attorney *RGR*

DATE: October 13, 2008

SUBJECT: Informal Conference: Kentucky Utilities Company

Pursuant to the Commission Staff notice issued on October 2, 2008, an informal conference was held on October 6, 2008 at the Commission's offices in Frankfort, Kentucky. The stated purpose of the KU conference was to discuss revisions to the procedural schedule and the participation of the Commissioners. A list of the attendees is attached hereto.

Staff informed the attendees that the Commission Chairman had recently received an Opinion from the Executive Branch Ethics Commission advising him that, since his former law firm had performed work for KU's parent corporation, E.ON U.S., he should abstain from participating in any KU (or Louisville Gas and Electric Company) proceedings for six months from the date of his June 1, 2008 appointment to the Commission. Consequently, he has been abstaining from participating in this case and will continue to do so until December 1, 2008.

Staff also indicated that the Vice Chairman had entered a formal Notice in the record of this case which discusses the Executive Branch Ethics Commission's Opinion issued to him and his need to abstain from participating in the KU proceeding as a result of LFUCG's intervention in the KU case. As a result of the need for both the Chairman and Vice Chairman to abstain until December 1 and December 16, 2008, respectively, the procedural schedule has been revised to reflect a delay in the evidentiary hearing until January 13, 2009.

The revised procedural schedule was distributed to the participants, and a copy is attached hereto. Staff indicated that any objections to the revised procedural dates should be set forth in a written motion and submitted to the Commission. Staff also indicated that the Commission intended to hold four public hearings in different areas of the state to allow members of the public to comment on the pending KU (and LG&E) rate cases, and that those public meetings would be held during the first full week of January 2009.

cc: Parties of Record

APPENDIX A

APPENDIX TO AN ORDER OF THE KENTUCKY PUBLIC SERVICE
COMMISSION IN CASE NOS. 2007-00565 AND 2008-00251 DATED OCTOBER 6, 2008

All requests for information to KU shall
be filed no later than 08/27/08

KU shall file responses to requests for
information no later than 09/11/08

All supplemental requests for information to
KU shall be filed no later than 09/24/08

KU shall file responses to supplemental
requests for information no later than 10/10/08

Intervenor testimony, if any, in verified prepared
form, shall be filed no later than 10/28/08

All requests for information to Intervenors shall
be filed no later than 11/14/08

Intervenors shall file responses to requests for
information no later than 12/03/08

KU shall file, in verified prepared form, its
rebuttal testimony no later than 12/19/08

Last day for KU to publish notice of hearing 01/06/09

Public hearing to be held in Hearing Room 1
of the Commission's offices at 211 Sower Boulevard,
Frankfort, Kentucky, for the purpose of cross-examination
of witnesses of KU and Intervenors 01/13/09

Simultaneous briefs, if any 02/13/09