COMMONWEALTH OF KENTUCKY

BEFORE THE PUBLIC SERVICE COMMISSION

In the Matter of:

APPLICATION OF KENTUCKY UTILITIES) COMPANY TO FILE DEPRECIATION STUDY)	CASE NO. 2007-00565
APPLICATION OF KENTUCKY UTILITIES) COMPANY FOR AN ADJUSTMENT OF ITS) ELECTRIC BASE RATES)	CASE NO. 2008-00251

ORDER

Kentucky Utilities Company ("KU") has moved the Commission to consolidate its application for approval of a new depreciation study and depreciation rates, pending in Case No. 2007-00565, with its recently filed application for a general adjustment in electric rates, pending in Case No. 2008-00251. In support of its motion, KU states that consolidating these two cases will result in administrative economy because there are common issues in both proceedings and the Commission's determination of appropriate depreciation rates will affect both proceedings. KU's motion also points out that the only intervenor in its depreciation case, the Attorney General, previously filed a motion supporting the consolidation of these proceedings to promote judicial economy and administrative efficiency.¹

Having reviewed the motion and being otherwise sufficiently advised, the Commission finds that no objections to the consolidation were filed by any party to either case and the consolidation of KU's depreciation case with and into its rate case is

¹ Attorney General's Motion to Modify Procedural Schedule and to Hold in Abeyance, filed June 6, 2008, Case No. 2007-00565.

reasonable and will promote administrative economy. The Commission further finds that since there are parties to the rate case who are not parties to the depreciation case, the issues in the depreciation case will be subject to discovery and testimony by intervenors in accordance with the procedural schedule established in the rate case by

Order dated August 15, 2008.

IT IS THEREFORE ORDERED that:

1. KU's depreciation study as filed in Case No. 2007-00565 and the entire

record of that case is consolidated with and into Case No. 2008-00251. All future filings

relating to any issue in either case shall contain the styles of both cases, and shall be

filed in Case No. 2008-00251.

2. KU's depreciation study shall be subject to discovery and testimony by

intervenors in accordance with the procedural schedule established by Order dated

August 15, 2008 in Case No. 2008-00251.

3. Case No. 2007-00565 shall remain on the Commission's docket until such

time as a final Order is entered in these consolidated cases.

Done at Frankfort, Kentucky, this 6th day of October, 2008.

By the Commission

Chairman Armstrong abstains. Vice Chairman Gardner abstains.

ATTEST:

Executive Director by permission

Case No. 2007-00565

Case No. 2008-00251

Lonnie E. Bellar Kentucky Utilities Company 220 West Main Street PO Box 32010 Louisville, KY 40202

Honorable Dennis G. Howard II Assistant Attorney General Office of the Attorney General Utility & Rate Intervention Division 1024 Capital Center Drive Suite 200 Frankfort, KY 40601-8204

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 David C. Brown Stites & Harbison, PLLC 1800 Providian Center 400 West Market Street Louisville, KY 40202

Willis. L. Wilson Lexington-Fayette Urban County Government Department of Law 200 East Main Street Lexington, KY 40507

Honorable W. Duncan Crosby III Stoll Keenon Ogden, PLLC 2000 PNC Plaza 500 W. Jefferson Street Louisville, KY 40202-2828 Joe F. Childers Getty & Childers 1900 Lexington Financial Center 250 West Main Street Lexington, KY 40507

Honorable Michael L. Kurtz Boehm, Kurtz & Lowry 36 East Seventh Street Suite 1510 Cincinnati, OH 45202

Honorable Allyson K. Sturgeon E.ON U.S. Services, Inc. 220 West Main Street Louisville, KY 40202