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Leonard K. Peters Secretary Energy and Environment Cabinet



Commonwealth of Kentucky
Public Service Commission

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James W. Gardner Vice-Chairman

Charles R. Borders Commissioner

March 25, 2010

TO: Parties of Record

RE: Case No. 2008-00408

Commission Order issued March 17, 2010

Commission Staff have received communications from two of the parties to Case No. 2008-00408 requesting clarification of the Commission's Order issued on March 17, 2010, which gave the parties ten days from the date of the Order to request an evidentiary hearing. The parties were not certain whether the hearing referenced in the March 17, 2010 Order would be concerning the issues being examined by the Smart Grid and Smart Meter collaborative effort.

The Smart Grid and Smart Meter collaborative effort was initiated following the dialogue at the October 21, 2009 informal conference in this case. At the informal conference, the parties expressed a willingness to work collaboratively and requested that Commission Staff provide guidance to the parties regarding the Smart Grid and Smart Meter issues it believed should be addressed. Commission Staff complied with this request by the issuance of the "Commission Staff Smart Meter and Smart Grid Guidance" on February 19, 2010. It is Commission Staff's intent that the Smart Grid and Smart Meter collaborative effort be an ongoing process with the ultimate goal of deployment of Smart Meters and the offering of time-of-use rates separate and apart from any decision in Case No. 2008-00408. That collaborative effort will continue after a final Order is issued in this proceeding.

The hearing which is referenced in the March 17, 2010 Order would be to provide any further evidence the parties believe would assist the Commission in making its determinations regarding the following Energy Independence and Security Act standards, which are the subject of the administrative case:

- Integrated Resource Planning (Electric Utilities);
- 2. Rate Design Modifications to Promote Energy Efficiency Investments (Electric and Gas Utilities);
- 3. Consideration of Smart Grid Investments (Electric Utilities);
- 4. Smart Grid Information (Electric Utilities);
- 5. Energy Efficiency (Gas Utilities); and
- 6. Incentives for Recovery, Use and Prevention of Industrial Waste Energy (Electric Utilities).

Please direct any questions concerning this matter to Rick Bertelson, Staff Attorney, at (502) 564-3940, Extension 260.

RB/ew

Executive Director

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