COMMONWEALTH OF KENTUCKY

BEFORE THE PUBLIC SERVICE COMMISSION

In the Matter of:

JOINT APPLICATION OF DUKE ENERGY) CORPORATION, CINERGY CORP., DUKE) ENERGY OHIO, INC., DUKE ENERGY) KENTUCKY, INC., DIAMOND ACQUISITION) CORPORATION, AND PROGRESS ENERGY,) INC. FOR APPROVAL OF THE INDIRECT) TRANSFER OF CONTROL OF DUKE) ENERGY KENTUCKY, INC.)

CASE NO. 2011-00124

<u>ORDER</u>

On April 4, 2011, Duke Energy Corporation, Cinergy Corp., Duke Energy Ohio, Inc., Duke Energy Kentucky, Inc. ("Duke Energy Kentucky"), Diamond Acquisition Corporation, and Progress Energy, Inc. (collectively referred to as "Joint Applicants") jointly filed an application for approval of the indirect transfer of control of Duke Energy Kentucky.

The indirect transfer of control of Duke Energy Kentucky is governed by KRS 278.020(5) and (6), and the latter subsection requires the Commission to adjudicate such applications within 60 days of filing, unless good cause exists to continue the application for an additional 60 days. Here, we find that an investigation of the proposed indirect transfer of control is necessary to determine its reasonableness, and that the investigation cannot be completed within 60 days of the filing date of the application. In addition, we find that a procedural schedule should be established to commence a review of the reasonableness of the proposed indirect transfer of control.

That procedural schedule is attached as an Appendix to this Order and is incorporated herein.

IT IS THEREFORE ORDERED that:

1. Joint Applicants' request for approval of the proposed indirect transfer of control is continued for an additional 60 days pursuant to KRS 278.020(6).

2. The procedural schedule for processing the review of the proposed indirect transfer of control is attached hereto as an Appendix and shall be followed in this case.

3. Any party that files a document with the Commission shall file an original and nine copies, with copies to all parties of record.

4. All parties shall respond to any interrogatories or requests for production of documents that Commission Staff submits in accordance with the procedural schedule set forth in the Appendix.

5. a. Responses to requests for information shall be appropriately bound, tabbed and indexed and shall include the name of the witness responsible for responding to the questions related to the information provided.

b. Each response shall be answered under oath or, for representatives of a public or private corporation or a partnership or association or a governmental agency, be accompanied by a signed certification of the preparer or person supervising the preparation of the response on behalf of the entity that the response is true and accurate to the best of that person's knowledge, information, and belief formed after a reasonable inquiry.

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c. Any party shall make timely amendment to any prior response if it obtains information which indicates that the response was incorrect when made or, though correct when made, is now incorrect in any material respect.

d. For any request to which a party fails or refuses to furnish all or part of the requested information, that party shall provide a written explanation of the specific grounds for its failure to completely and precisely respond.

6. Duke Energy Kentucky shall publish notice of the hearing in accordance with 807 KAR 5:011, Section 8(5).

7. At any public hearing in this matter, neither opening statements nor summarization of direct testimony shall be permitted.

8. Motions for extensions of time with respect to the schedule herein shall be made in writing and will be granted only upon a showing of good cause.

By the Commission



ATTES Director

APPENDIX

APPENDIX TO AN ORDER OF THE KENTUCKY PUBLIC SERVICE COMMISSION IN CASE NO. 2011-00124 DATED APR 2 1 2011

Initial data requests to Joint Applicants shall be filed no later than04/28/1	1
Joint Applicants' responses to initial data requests shall be filed no later than05/10/1	1
Supplemental data requests to Joint Applicants shall be filed no later than	1
Joint Applicants' responses to supplemental data requests shall be filed no later than05/31/1	1
Intervenor testimony, if any, in verified prepared form, shall be filed no later than06/10/1	1
Data requests to Intervenors shall be filed no later than	1
Intervenors' responses to data requests shall be filed no later than06/24/1	1
Public Hearing to be held in Hearing Room 1 of the Commission's offices at 211 Sower Boulevard, Frankfort, KY, for the purpose of cross-examination of witnesses of Joint Applicants and Intervenors	ed

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