

Mr. Jeff DeRouen Executive Director Kentucky Public Service Commission 211 Sower Boulevard Frankfort, Kentucky 40602-0615

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PUBLIC SERVICE COMMISSION

February 3, 2010

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RE: The Joint Applications of Louisville Gas and Electric Company and Kentucky Utilities Company Demand-Side Management for the Review, Modification, and Continuation of Energy Efficiency Programs and DSM Cost Recovery Mechanisms – Case No. 2007-00319

Dear Mr. DeRouen:

I am writing to advise that Kentucky Utilities Company ("KU") and Community Action Council for Lexington-Fayette, Bourbon, Harrison and Nicholas Counties, Inc. ("CAC") have entered into a contract awarding to CAC the client intake, energy audit, and client education services for customers participating in KU's Residential Low-Income Weatherization Program. The contract became effective on January 1, 2010 and will continue until February 29, 2012, unless terminated earlier under the terms of the contract.

We believe this contract resolves the issues previously discussed during the informal conference held at the Commission on August 5, 2009. If you have any questions or need additional information, please feel free to contact me.

Sincerely,

Rick E. Lovekamp

cc: Parties of Record

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