

COMMONWEALTH OF KENTUCKY
BEFORE THE PUBLIC SERVICE COMMISSION

In the Matter of:

AN ADJUSTMENT OF THE ELECTRIC RATES,)
TERMS, AND CONDITIONS OF KENTUCKY) CASE NO. 2003-00434
UTILITIES COMPANY)

O R D E R

The Commission, having considered the petition for rehearing filed by the Office of the Attorney General ("AG") on July 23, 2004, and finding that additional information is needed to properly review the merits of the issues raised therein, HEREBY ORDERS that Kentucky Utilities Company ("KU") shall file no later than August 2, 2004 its responses to the request for information attached hereto as Appendix A.

Done at Frankfort, Kentucky, this 26th day of July, 2004.

By the Commission

ATTEST:



Executive Director

APPENDIX A

APPENDIX TO AN ORDER OF THE KENTUCKY PUBLIC SERVICE
COMMISSION IN CASE NOS. 2003-00433 AND 2003-00434
DATED JULY 26, 2004

1. What was the amount of Virginia taxes paid on KU's out-of-state activities?
2. If the effective state income tax rate were utilized, explain how the payment of Virginia taxes on KU's out-of-state activities should be reflected when determining:
 - a. The state income taxes as of test-year end.
 - b. The income tax rate applied to the adjustments approved by the Commission in the June 30, 2004 Order.
 - c. The income tax rate applied to determine the interest synchronization adjustment.
 - d. The income tax rate used in the "gross-up" factor.