

COMMONWEALTH OF KENTUCKY
BEFORE THE PUBLIC SERVICE COMMISSION

In the Matter of:

AN ADJUSTMENT OF THE GAS AND ELECTRIC)
RATES, TERMS, AND CONDITIONS OF) CASE NO. 2003-00433
LOUISVILLE GAS AND ELECTRIC COMPANY)

AND

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 the AG shall file no later than August 2, 2004 his 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. Is the AG aware of any state regulatory commission decision or court order discussing the use of an effective state income tax rate for rate-making purposes?

If yes, provide copies or citations to the commission decisions or court orders.

2. Does the AG agree that the depreciation rates currently in effect were the result of a unanimous settlement agreement in Case Nos. 2001-00140¹ and 2001-00141,² entered into by LG&E, KU, the AG, and the Kentucky Industrial Utility Customers, Inc. and approved by the Commission in total on December 3, 2001?

3. Does the AG agree that the future net salvage being used in the current depreciation rates is the net salvage that was incorporated into the settlement depreciation rates approved in Case Nos. 2001-00140 and 2001-00141?

¹ Case No. 2001-00140, Application of Kentucky Utilities Company for an Order Approving Revised Depreciation Rates.

² Case No. 2001-00141, Application of Louisville Gas and Electric Company for an Order Approving Revised Depreciation Rates.