

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, on its own motion, previously reopened the records of these rate cases to investigate whether Louisville Gas and Electric Company ("LG&E") or Kentucky Utilities Company ("KU") had improper *ex parte* contacts with Commission employees regarding these cases and whether the settlement negotiations that resulted in the Partial Settlement Agreement, Stipulation and Recommendation ("Settlement Agreement") were the product of collusion. The Office of the Attorney General ("AG") subsequently filed a motion requesting the Commission to hold its investigation in abeyance pending the completion of the AG's investigation of these same issues. The motion also proposed that the AG would file by September 30, 2004 a report on the status of his investigation.

The Commission granted the AG's motion by Order dated August 12, 2004, and granted the AG until October 12, 2004 to file a status report of his investigation. The AG has now filed a status report which "... urges the PSC to continue to hold these

matters in abeyance ..." pending completion of his investigation. The Commission will treat the AG's request in this regard as a motion to hold in abeyance.

The Commission, having reviewed the report filed by the AG on the status of his investigation, and being otherwise sufficiently advised, hereby finds that an informal conference should be held to discuss that report and the AG's motion to hold in abeyance. At that informal conference, the parties should be prepared to discuss, among other things, a timetable for completion of the AG's investigation and the filing of a final report of same by the AG.

IT IS THEREFORE ORDERED that an informal conference shall be held on October 21, 2004 at 1:30 p.m., Eastern Daylight Time, in Conference Room 1 of the Commission's offices at 211 Sower Boulevard, Frankfort, Kentucky, for the purposes of discussing: (1) the AG's motion to hold in abeyance; and (2) a timetable for completion of the AG's investigation and the filing of a final report as to whether LG&E or KU had improper *ex parte* contacts with Commission employees regarding these rate cases and whether the settlement negotiations that resulted in the Settlement Agreement were the product of collusion.

Done at Frankfort, Kentucky, this 14th day of October, 2004.

By the Commission

ATTEST:



Executive Director

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