COMMONWEALTH OF KENTUCKY

BEFORE THE PUBLIC SERVICE COMMISSION

In the Matter of:

THE APPLICATION OF KENTUCKY UTILITIES COMPANY FOR A CERTIFICATE OF PUBLIC CONVENIENCE AND NECESSITY TO CONSTRUCT A SELECTIVE CATALYTIC REDUCTION SYSTEM AND APPROVAL OF ITS 2006 COMPLIANCE PLAN FOR RECOVERY BY ENVIRONMENTAL SURCHARGE

CASE NO. 2006-00206

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<u>ORDER</u>

On June 23, 2006, Kentucky Utilities Company ("KU"), pursuant to KRS 278.020(1) and 278.183, filed an application requesting: (1.) a Certificate of Public Convenience and Necessity for the construction of certain nitrogen oxide control technologies; (2.) approval of an amended compliance plan for purposes of recovering the costs of new and additional pollution control facilities; and (3.) approval of an amended Environmental Cost Recovery Surcharge tariff.

The Commission finds that further proceedings are necessary to investigate the reasonableness of the proposed amendments to KU's compliance plan and surcharge tariff. KRS 278.183(2) prescribes that the Commission complete its examination within 6 months of the submittal of KU's application. The procedural schedule set forth in Appendix A provides for the completion of this examination within the 6-month requirement.

IT IS THEREFORE ORDERED that:

1. The procedural schedule set forth in Appendix A, which is attached hereto and incorporated herein, shall be followed.

2. All requests for information and responses thereto shall be appropriately indexed and 5 copies shall be filed with the Commission, with copies to all parties of record. Any request for information from the Commission Staff shall be responded to as if set forth in a Commission Order. All responses shall include the name of the witness who will be responsible for responding to questions at any hearing in this proceeding related to the information provided.

3. Any party filing testimony shall file an original and 8 copies.

4. KU shall give notice of the hearing in accordance with the provisions set out in 807 KAR 5:011, Section 8(5). At the time publication is requested, KU shall forward a duplicate of the notice and request to the Commission.

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

6. Any objections or motions relating to discovery or procedural dates shall be filed upon 4 business days' notice or shall include an explanation why such notice was not possible.

7. Nothing contained herein shall prevent the Commission from entering further Orders in this matter.

Case No. 2006-00206

-2-

Done at Frankfort, Kentucky, this 13th day of July, 2006.

By the Commission

ATTEST:

Executive Director

APPENDIX A

APPENDIX TO AN ORDER OF THE KENTUCKY PUBLIC SERVICE COMMISSION IN CASE NO. 2006-00206 DATED July 13, 2006

All initial requests for information to KU shall be filed no later than07/24/06
KU shall file responses to initial requests for information no later than08/07/06
All supplemental requests for information to KU shall be filed no later than08/21/06
KU shall file responses to supplemental requests for information no later than09/05/06
Intervenor testimony, if any, in verified prepared form shall be filed no later than09/19/06
All requests for information to Intervenors shall be filed no later than
Intervenors shall file responses to requests for information no later than10/17/06
KU shall file rebuttal testimony, in verified form no later than
Last day for KU to publish notice of hearing11/01/06
Public Hearing is to begin at 9:00 a.m., Eastern Standard Time, in Hearing Room 1 of the Commission's offices at 211 Sower Boulevard, Frankfort, Kentucky, for the purpose of cross-examination of witnesses of
KU and Intervenors
Briefs, if any, shall be filed by 12/05/06