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October 3, 2012

Via US Mail & Electronically Filed

Mr. Jeff Derouen, Executive Director
Kentucky Public Service Commission
211 Sower Boulevard
Frankfort, Kentucky 40602

RE: *Case No. 2012-00222; Application of LG&E*

Dear Mr. Derouen:

Please find enclosed the original and one (1) copy of Hess' Direct Testimony of John Mehling e-filed today in the above-referenced matter.

The Commission granted Hess limited intervention yesterday afternoon (October 2, 2012) on the issue of gas transportation thresholds in the above matter along with directing that, "(Hess) is denied intervention regarding the issues of balancing frequencies and balancing tolerance bands."

While Hess understands the Commission's Order, Hess respectfully files the attached testimony, prepared prior to the Commission's Order yesterday afternoon, addressing gas transportation thresholds, balancing frequencies and balancing tolerance bands in an effort to comply with today's deadline for intervener testimony and Hess will file a motion for reconsideration of the Commission's Order denying intervention on the balancing frequency and balancing tolerance band issues on or before October 5, 2012.

To the extent the Commission denies the forthcoming motion for reconsideration on these two issues (balancing frequencies and balancing tolerance band issues) Hess will agree to strike testimony discussing same in Mr. Mehling's testimony.¹

¹ Specifically, Page 6, lines 3-11 and lines 19-21; Page 7, lines 1-6; Page 10, lines 20-23; Pages 11-12; and Page 13, lines 1-4 and lines 10-11.

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In accordance with the Commission's Order of June 22, 2012, I hereby certify that Hess' filing is a true and accurate copy of the documents being filed in paper medium; that the electronic filing has been transmitted to the Commission on October 3, 2012; that there are currently no parties that the Commission has excused from participation by electronic means in this proceeding; that an original and one copy of the filing is being mailed to the Commission on October 3, 2012 for filing on October 3, 2012.

Please place the document of file.

Regards,



Matthew Malone

C: File

Enc.

cc: Counsel of Record