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David L. Armstrong
Chairman

James W. Gardner
Vice Chairman

John W. Clay
Commissioner

October 16, 2008

Mr. John Watson
169 Thomas Lane
Hustonsville, KY 40437-8740

Re: Intervention in Kentucky Utilities Company Rate Case No. 2008-00251

Dear Mr. Watson:

The Commission acknowledges the filing of your petition to intervene in the above-referenced case. As discussed in the attached informal conference memorandum filed by Commission Staff in the record of this case, the Commission's Chairman and Vice Chairman are currently abstaining from participation in this case. The Chairman expects to begin participating on December 1, 2008, and your motion to intervene will be considered and ruled upon as soon as practicable thereafter.

Sincerely,

A handwritten signature in black ink, appearing to read "D. S. Samford", written over a horizontal line.

David S. Samford
Deputy Executive Director
& General Counsel

RGR:v

Enclosure

INTRA-AGENCY MEMORANDUM
KENTUCKY PUBLIC SERVICE COMMISSION

TO: Main Case File Nos. 2007-00565 and 2008-00251

FROM: Richard Raff, Staff Attorney

DATE: October 13, 2008

SUBJECT: Informal Conference: Kentucky Utilities Company

Pursuant to the Commission Staff notice issued on October 2, 2008, an informal conference was held on October 6, 2008 at the Commission's offices in Frankfort, Kentucky. *The stated purpose of the KU conference was to discuss revisions to the procedural schedule and the participation of the Commissioners. A list of the attendees is attached hereto.*

Staff informed the attendees that the Commission Chairman had recently received an Opinion from the Executive Branch Ethics Commission advising him that, since his former law firm had performed work for KU's parent corporation, E.ON U.S., he should *abstain from participating in any KU (or Louisville Gas and Electric Company) proceedings for six months from the date of his June 1, 2008 appointment to the Commission. Consequently, he has been abstaining from participating in this case and will continue to do so until December 1, 2008.*

Staff also indicated that the Vice Chairman had entered a formal Notice in the record of this case which discusses the Executive Branch Ethics Commission's Opinion issued to him and his need to abstain from participating in the KU proceeding as a result of LFUCG's intervention in the KU case. As a result of the need for both the Chairman and Vice Chairman to abstain until December 1 and December 16, 2008, respectively, the procedural schedule has been revised to reflect a delay in the evidentiary hearing until January 13, 2009.

The revised procedural schedule was distributed to the participants, and a copy is attached hereto. Staff indicated that any objections to the revised procedural dates should be set forth in a written motion and submitted to the Commission. Staff also indicated that the Commission intended to hold four public hearings in different areas of the state to allow members of the public to comment on the pending KU (and LG&E) rate cases, and that those public meetings would be held during the first full week of January 2009.

cc: Parties of Record