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Mr. Jeff DeRouen
Executive Director
Kentucky Public Service Commission
211 Sower Boulevard
Frankfort, Kentucky 40601

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PUBLIC SERVICE
COMMISSION

**Louisville Gas and Electric
Company**
State Regulation and Rates
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July 1, 2009

RE: In the Matter of Louisville Gas and Electric Company Alleged Failure to
Comply with KRS 278.042 - Case No. 2009-00210

Dear Mr. DeRouen:

Enclosed please find and accept for filing the original and ten copies of Louisville Gas and Electric Company's Response to the Commission's Order of June 19, 2009 and Motion to Suspend Hearing and Schedule Informal Conference in the above-referenced matter. Please confirm your receipt of this filing by placing the stamp of your Office with the date received on the enclosed additional copy and return to me in the enclosed self-addressed stamped envelope.

Should you have any questions please contact me at your convenience.

Sincerely,

A handwritten signature in black ink that reads "Rick E. Lovekamp". The signature is written in a cursive, flowing style.

Rick E. Lovekamp

**COMMONWEALTH OF KENTUCKY
BEFORE THE PUBLIC SERVICE COMMISSION**

In the Matter of:

LOUISVILLE GAS AND ELECTRIC)	
COMPANY)	
_____)	CASE NO. 2009-00210
)	
ALLEGED FAILURE TO COMPLY WITH)	
KRS 278.042)	

RESPONSE OF LOUISVILLE GAS AND ELECTRIC COMPANY
TO THE COMMISSION’S ORDER OF JUNE 19, 2009
AND MOTION TO SUSPEND HEARING AND
SCHEDULE INFORMAL CONFERENCE

On June 19, 2009, the Kentucky Public Service Commission (“Commission”) issued an Order directing Louisville Gas and Electric Company (“LG&E”) to file a written response to the allegations contained in the Electric Utility Incident Report (“Report”) prepared by the Commission Staff and dated April 29, 2009. For its Response to the Commission’s Order, LG&E states as follows:

1. LG&E admits the information contained in the sections of the Report titled “Utility”, “Reported By”, “Incident Occurred”, “Utility Notified”, “PSC Notified”, “PSC Investigated”, and “Incident Location” is accurate.

2. With regard to the information contained in the section of the Report titled “Incident Description”, LG&E admits, based on its investigation, that the information is accurate, but also affirmatively states that Mr. McCoy was working with an out-of-state crew activated through utility mutual assistance efforts to restore service resulting from an ice storm that led to widespread and unprecedented outages throughout the LG&E and

Kentucky Utilities Company service territories. The contractor at issue was certified under LG&E's Passport program, and is experienced in performing this type of utility work. In addition, Mr. McCoy was briefed about working safely in this environment before beginning work that day.

3. LG&E admits that the information contained in the sections of the Report titled "Victim" and "Witnesses" is accurate.

4. With regard to the section of the Report titled "Probable Violation", LG&E denies that it committed any willful violation of KRS 278.042 or the National Electrical Safety Code.

5. LG&E admits that the information contained in the sections of the Report titled "Utility Investigator" and "Manager" is accurate.

NOW, THEREFORE, LG&E requests that this case be dismissed or, in the alternative, that the hearing date set for September 8, 2009 be suspended and that an informal conference be scheduled with the Commission Staff for the purpose of discussing settlement and expediting resolution of this proceeding. LG&E's willingness to discuss settlement is not, and should not be construed as, an admission of any liability or fault on its part.

Dated: July 1, 2009

Respectfully submitted,

Allyson K. Sturgeon / JAC

Allyson K. Sturgeon
Senior Corporate Attorney
E.ON U.S. LLC
220 West Main Street
Louisville, Kentucky 40202
(502) 627-2088

Counsel for Louisville Gas and Electric
Company

CERTIFICATE OF SERVICE

The undersigned hereby certifies that a true and correct copy of the foregoing was served on the following on the 1 day of July, 2009, U.S. mail, postage prepaid:

Rick Bertelson
Staff Counsel
Kentucky Public Service Commission
211 Sower Blvd.
Frankfort, Kentucky 40601

Allyson K. Sturgeon / JAC

Counsel for Louisville Gas and Electric
Company