

COMMONWEALTH OF KENTUCKY
BEFORE THE ENERGY REGULATORY COMMISSION

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In the Matter of

THE APPLICATION OF KENTUCKY UTILITIES)
COMPANY FOR AN ORDER AUTHORIZING THE) CASE NO. 7761
ISSUE OF SECURITIES)

O R D E R

Kentucky Utilities Company (the Applicant) heretofore filed its duly verified Application seeking authority to issue and sell 200,000 shares of 9.96% Preferred Stock, without par value (stated value \$100 per share). The stock will be issued and sold in a private placement pursuant to the terms of a purchase agreement the form of which is in the record.

The net proceeds derived by the Applicant from the sale of the Preferred Stock will be applied to the repayment of short-term borrowings. It is estimated that about \$65,000,000 of such borrowings will be outstanding at the time of the issuance of the Preferred Stock.

A public hearing pertaining to this matter was held on the 17th day of March, 1980, at 10:00 a.m., Eastern Daylight Time, in the Commission's offices at Frankfort, Kentucky. No party of interest other than the Applicant was present.

The Commission, after consideration of the Application and being advised, is of the opinion and finds that the issuance and sale by the Applicant of 200,000 shares of 9.96% Preferred Stock (stated value \$100 per share) is for a lawful object within the corporate purposes of the utility, is necessary and appropriate for and consistent with the proper performance by the utility of its service to the public and will not impair its ability to perform that service, and is reasonably necessary and appropriate for such purpose.

IT IS THEREFORE ORDERED, that Kentucky Utilities Company be and it hereby is authorized to issue and sell 200,000 shares of 9.96%

Preferred Stock without par value (stated value \$100 per share).

IT IS FURTHER ORDERED, that the proceeds from the sale of the securities authorized herein shall be used only for the lawful purposes as set out in the Application.

IT IS FURTHER ORDERED, that Kentucky Utilities Company shall as soon as reasonably possible, file with this Commission a statement setting forth the date of the issuance of the securities authorized herein, the price paid therefor and all fees and expenses, including commissions, involved in the issuance and distribution.

Nothing contained herein shall be construed as a finding of value for any purpose or as a warranty on the part of the Commonwealth of Kentucky or any agency thereof as to the securities authorized herein.

Done at Frankfort, Kentucky, this the 21st day of March, 1980.

ENERGY REGULATORY COMMISSION



Chairman

Vice Chairman

Commissioner

ATTEST:

Secretary