

COMMONWEALTH OF KENTUCKY

BEFORE THE PUBLIC SERVICE COMMISSION

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In the Matter of:

THE APPLICATION OF KENTUCKY UTILITIES)
COMPANY FOR AN ORDER AUTHORIZING THE) CASE NO. 8423
ISSUE OF SECURITIES)

O R D E R

Kentucky Utilities Company ("KU") heretofore filed its application seeking authority to issue and sell 1,000,000 shares of common stock, par value \$10 per share (the "additional shares"), pursuant to its Automatic Dividend Reinvestment and Stock Purchase Plan, the provisions of which are set forth in the Preliminary Prospectus filed as Exhibit 1 to the application herein. The net proceeds derived by KU from the sale of such additional shares will be applied to construction expenditures, including payment of short-term borrowings incurred for construction purposes.

The Commission, after consideration of the application and being advised, is of the opinion and finds that the issuance and sale by KU of 1,000,000 shares of common stock 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 purposes.

IT IS THEREFORE ORDERED that KU be and it hereby is authorized to issue and sell 1,000,000 shares of common stock, par value \$10 per share, at the average of the closing prices of KU's common stock reported as New York Stock Exchange-Composite Transactions for the 5 consecutive trading days immediately preceding the applicable cash dividend payment date.

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 KU shall, promptly after each dividend payment date, file with the Commission a statement setting forth the date of issuance of the shares herein authorized, the price paid therefor and all fees and expenses involved in the issuance and distribution of such shares.

IT IS FURTHER ORDERED that nothing contained herein shall be construed as a finding of value for any purpose or 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 19th day of January, 1982.

PUBLIC SERVICE COMMISSION

Marlin M. Vobe
Chairman

Katherine Randall
Vice Chairman

John Carrigan
Commissioner

ATTEST:

Secretary