

COMMONWEALTH OF KENTUCKY
BEFORE THE PUBLIC SERVICE COMMISSION

* * * * *

In the Matter of:

THE APPLICATION OF GENERAL)
TELEPHONE COMPANY OF KENTUCKY) CASE NO. 8749
FOR AN ORDER AUTHORIZING THE)
ISSUANCE AND SALE OF SECURITIES)

O R D E R

On December 27, 1982, General Telephone Company of Kentucky ("General") filed its application seeking authority to issue and sell 20,000 shares of its common capital stock, without par value, to its parent, GTE Corporation, for a consideration of \$5,000,000.

The proceeds from the sale of the securities will be used to repay \$5,000,000 in short-term loans.

The Commission, after consideration of the application and all evidence of record and being advised, is of the opinion that the proposed issuance and sale by General of 20,000 shares of its no par common capital stock to GTE Corporation for a consideration of \$5,000,000 is for lawful objects within the corporate purposes of its utility operations, is necessary and appropriate for and consistent with the proper performance 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 General be and it hereby is authorized to issue and sell 20,000 shares of its no par common capital stock to its parent company, GTE Corporation, for a consideration of \$5,000,000.

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.

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 20th day of January, 1983.

PUBLIC SERVICE COMMISSION


Chairman


Vice Chairman


Commissioner

ATTEST:

Secretary