

COMMONWEALTH OF KENTUCKY
BEFORE THE PUBLIC SERVICE COMMISSION

In the Matter of:

THE IMPLEMENTATION BY THE UNION LIGHT,)
HEAT AND POWER COMPANY OF A FLEXIBLE-) CASE NO. 9247
TRANSPORTATION RATE)

O R D E R

On July 8, 1985, Newport Steel Corporation ("Newport") filed a motion which seeks to stay the implementation of the gas transportation tariff of the Union Light, Heat and Power Company ("ULH&P").

The transportation tariff was the subject of a hearing held on February 19, 1985. Newport participated in that hearing. On May 17, 1985, an Order was issued which approved a gas transportation tariff for ULH&P -- a tariff that differed from that proposed by ULH&P and Newport.

Newport, relying on two federal appellate court opinions issued contemporaneously with the Commission's Order in this case, the Maryland People's Counsel cases, argues that a stay of the tariff is necessary because significant issues related to gas transportation are involved and a final decision in these cases will impact the ULH&P tariff. Newport also argues that a Federal Energy Regulatory Commission ("FERC") rulemaking procedure now underway would affect the underlying assumptions on which the Order is predicated.

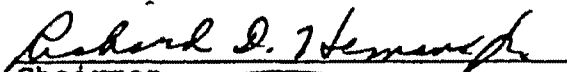
After reviewing the record and the authorities cited by Newport, the Commission finds that there is no basis for granting the stay. The tariff became effective May 17, 1985. To seek a stay some 60 days after implementation of the tariff is in this situation unreasonable.


Further, the FERC proceeding and the cases cited by Newport do not directly address the issue of local transportation rates, which are the subject of this tariff.

IT IS THEREFORE ORDERED that the motion for stay is denied.

Done at Frankfort, Kentucky, this 26th day of July, 1985.

PUBLIC SERVICE COMMISSION


Chairman


Vice Chairman

not participating
Commissioner

ATTEST:

Secretary