

COMMONWEALTH OF KENTUCKY
BEFORE THE PUBLIC SERVICE COMMISSION

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In the Matter of:

THE APPLICATION OF LOUISVILLE)
CELLULAR TELEPHONE COMPANY FOR)
AN ORDER AUTHORIZING THE ISSUANCE) CASE NO. 9354
OF NOTES AND OTHER EVIDENCES OF)
INDEBTEDNESS)

O R D E R

On June 5, 1985, the Louisville Cellular Telephone Company ("Louisville Telephone") filed an application seeking authority to issue a purchase money loan with a maximum principal amount of \$5,000,000, and a revolving credit loan with a maximum principal amount of \$2,500,000. The purchase money loan will have a 10-year maturity. The amount of the revolving credit loan that remains outstanding on May 15, 1988, will be converted into a term loan with a 7-year maturity. The interest rate for both borrowings will be 1/2 of 1 percent over the existing prime-rate.

The purchase money loan is for the purchase of equipment which will be used to provide cellular service and also for the engineering and installation services of said equipment. The revolving credit loan is to be used in connection with the commencement and operation of the cellular mobile telephone system.

The Commission, after considering the application and all evidence of record and being advised, is of the opinion and finds that the proposed purchase money loan and the revolving credit loan, are for lawful objects within the corporate purpose of its utility operations, are 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 are reasonably necessary and appropriate for such purposes.

IT IS THEREFORE ORDERED that Louisville Telephone be and it hereby is authorized to issue a purchase loan for an amount not to exceed \$5,000,000 with a 10-year term with an interest rate of 1/2 of 1 percent over the existing prime-rate.

IT IS FURTHER ORDERED that Louisville Telephone be and it hereby is authorized to obtain a revolving credit loan not to exceed \$2,500,000, with any amount outstanding on May 19, 1988, being converted into a 7-year term loan with an interest rate of 1/2 of 1 percent over the existing prime-rate.

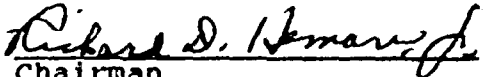
IT IS FURTHER ORDERED that should the terms or the method for determining the interest rate vary from those set out in the application Louisville Telephone shall reapply for authority to issue its loan and update its application to reflect the new terms and interest rate.

IT IS FURTHER ORDERED that the proceeds from the issuance of the loans 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 Commonwealth of Kentucky or any agency thereof as to the securities authorized herein.

Done at Frankfort, Kentucky, this 12th day of July, 1985.

PUBLIC SERVICE COMMISSION


Chairman


Vice Chairman


Commissioner

ATTEST:

Secretary