

COMMONWEALTH OF KENTUCKY
BEFORE THE PUBLIC SERVICE COMMISSION

In the Matter of:

APPLICATION OF LOUISVILLE GAS AND)
ELECTRIC COMPANY FOR AN ORDER)
AUTHORIZING THE ISSUANCE OF COMMON) CASE NO. 10001
STOCK)

O R D E R

On August 14, 1987, Louisville Gas and Electric Company ("LG&E") filed its duly verified application seeking authority to issue and sell to its employees not to exceed an additional 300,000 shares of its authorized but unissued Common Stock, without par value, pursuant to its Employee Common Stock Purchasing Plan. The net proceeds from the sale of such securities will be added to LG&E's general funds to be expended for construction or any other lawful corporate purpose.

The Commission, after consideration of the application and being advised, is of the opinion and finds that the issuance and sale of the above securities by LG&E is for lawful objects within the corporate purposes of LG&E's utility operations, 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 and should, therefore, be approved.

IT IS THEREFORE ORDERED that:

1. LG&E be and it is hereby authorized to issue and sell, from time to time, an amount not to exceed an additional 300,000 shares of its Common Stock pursuant to LG&E's Employee Common Stock Purchase Plan ("Plan") to be sold at a price to be determined pursuant to the terms, provisions and conditions of that Plan.

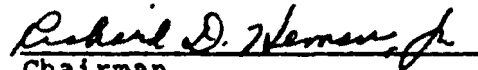
2. The proceeds from the transactions authorized herein shall be used only for the lawful purposes as set out in the application.

3. LG&E shall notify the Commission of any changes or amendments in its Employee Common Stock Purchase Plan and for each purchase of Common Stock, the market value per share, and the sales price per share as determined under the Plan.

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 1st day of September, 1987.

PUBLIC SERVICE COMMISSION


Chairman


Vice Chairman


Commissioner

ATTEST:

Executive Director