

COMMONWEALTH OF KENTUCKY  
BEFORE THE PUBLIC SERVICE COMMISSION

In the Matter of:

THE APPLICATION OF LDDS COMMUNICATIONS, )  
INC., LDDS OF INDIANA, INC. AND LDDS OF ) CASE NO. 89-378  
KENTUCKY, INC. FOR APPROVAL OF FINANCING )

O R D E R

On December 28, 1989, LDDS Communications, Inc.; LDDS of Indiana, Inc.; and LDDS of Kentucky, Inc. (collectively "LDDS") filed its application for authority to incur debt pursuant to the credit agreement attached as Exhibit II of the application.

The loan proceeds will be used by LDDS to expand its network through acquisitions, improve its quality of service through capital expenditures to better serve existing customers, refinance a major portion of its debt, and fund future acquisitions.

In connection with the application, LDDS filed a petition for confidentiality pursuant to 807 KAR 5:001, Section 7, requesting the Commission to issue an Order directing that Exhibits I and II of the application be afforded confidential treatment. This request is under active consideration and a decision will be rendered shortly.

The Commission, having considered the evidence of record and being sufficiently advised, finds that the issuance and sale of the above securities by LDDS are for the lawful objectives within the corporate purposes of LDDS operations, are necessary or appropriate for and consistent with the proper performance of its

service to the public, will not impair its ability to perform that service, are reasonably necessary and appropriate for such purposes, and should therefore be approved.

IT IS THEREFORE ORDERED that:

1. LDDS be and it hereby is authorized to incur debt evidenced by Notes described in the application, Exhibit II.

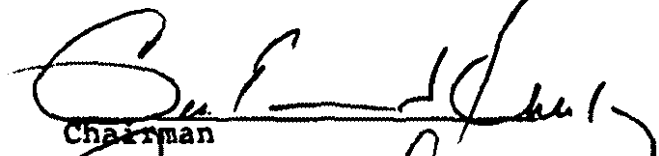
2. LDDS shall, within 30 days after the issuance of the securities referred to herein, file with the Commission a statement setting forth the date or dates of issuance of the securities authorized herein, the price paid, the interest rates, the identity of the purchasers, and all fees and expenses, including underwriting discounts or commission or other compensation, involved in the issuance and distribution.

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

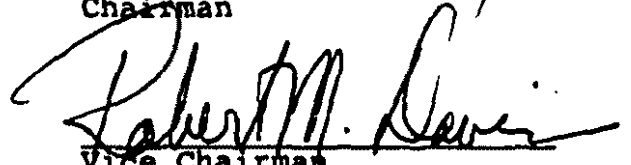
Nothing contained herein shall be construed as a finding of value for any purpose or as a warranty on the part of the Commonwealth of Kentucky or any agency thereof as to the securities authorized herein.

Done at Frankfort, Kentucky, this 18th day of January, 1990.

PUBLIC SERVICE COMMISSION

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Chairman

A large, stylized handwritten signature in black ink, appearing to read "Robert M. ...".

Vice Chairman

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Commissioner

ATTEST:

A large, stylized handwritten signature in black ink, appearing to read "Lee M. MacCracken".  
Executive Director