

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 to the application as Exhibit II. On January 18, 1990, the Commission issued an Order granting this authority. On February 1, 1990, the Commission issued an Order approving minor modifications to the credit agreement.

On March 19, 1991, LDDS filed a Verified Amended Application requesting that the Commission grant it the authority to issue additional debt pursuant to the Amended and Restated Credit Agreement attached as Exhibit 2.

The only significant modification associated with the amended agreement is an increase in the authorized credit limit from \$125,000,000 to \$175,000,000 or 60 percent of annualized LDDS revenues, whichever is less. Otherwise the Amended and Restated Credit Agreement is very similar to the original credit agreement already approved by the Commission.

The Commission finds that LDDS's request to modify the credit agreement previously approved by the Commission is necessary and appropriate, is consistent with the performance by LDDS of its service to the public, will not impair the ability of LDDS to perform its service to the public, is for a lawful object within the corporate purposes of LDDS, and is reasonably necessary and appropriate for the purposes of the utility.

IT IS THEREFORE ORDERED that the Commission Orders dated January 18, 1990 and February 1, 1990 be and they hereby are modified to authorize LDDS to issue evidences of indebtedness pursuant to the terms and conditions set forth in the Amended and Restated Credit Agreement filed as Exhibit 2 of the Verified Amended Application. In all other respects, the Orders of the Commission dated January 18, 1990 and February 1, 1990 shall remain in full force and effect.

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 16th day of April, 1991.

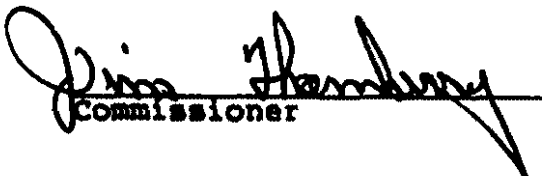
PUBLIC SERVICE COMMISSION


Chairman


Vice Chairman

ATTEST:


Executive Director


Commissioner