

COMMONWEALTH OF KENTUCKY
BEFORE THE PUBLIC SERVICE COMMISSION

In the Matter of:

KENTUCKY UTILITIES COMPANY)	
AND)	
SOUTH CENTRAL RURAL TELEPHONE)	
COOPERATIVE CORPORATION)	
_____)	CASE NO.
)	90-257
ALLEGED FAILURE TO COMPLY WITH)	
COMMISSION REGULATIONS)	

O R D E R

Kentucky Utilities Company ("KU") has applied for reconsideration of the Commission's Order of May 23, 1991. More specifically, KU asks that Finding 17 of that Order be stricken. Big Rivers Electric Corporation, East Kentucky Power Cooperative, Inc., Louisville Gas & Electric Company, the Kentucky Association of Electric Cooperatives, Kentucky Power Company, and The Union Light, Heat & Power Company have filed Position Statements in support of KU's application.

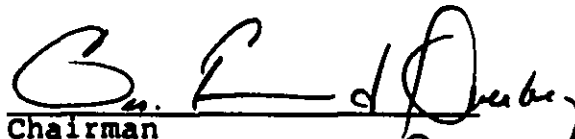
At issue is the Commission's interpretation of 807 KAR 5:041, Section 3. The arguments presented by KU and other electric utilities against this interpretation are legal, not factual, in nature. After carefully weighing these arguments, the Commission must affirm its earlier interpretation. The obvious purpose of 807 KAR 5:041, Section 3, is to protect and promote the public safety. The interpretation rendered in the Commission's earlier

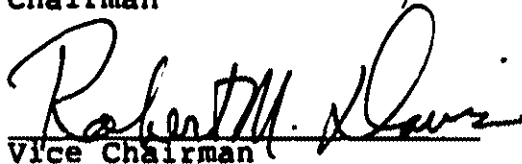
Order is the only reasonable interpretation of that regulation and the only one consistent with the regulation's intent and purpose.

IT IS THEREFORE ORDERED that KU's Application for Reconsideration is denied.

Done at Frankfort, Kentucky, this 2nd day of July, 1991.

PUBLIC SERVICE COMMISSION


Chairman


Vice Chairman

Commissioner

ATTEST:


Executive Director