

COMMONWEALTH OF KENTUCKY
BEFORE THE PUBLIC SERVICE COMMISSION

In the Matter of:

APPLICATION OF GTE SOUTH)
INCORPORATED FOR APPROVAL OF)
CHANGES IN ITS UTILITY PLANT) CASE NO. 97-045
DEPRECIATION RATES AND FOR)
WAIVER OF 807 KAR 5:064)

O R D E R

On April 8, 1997, the Commission dismissed the application of GTE South Incorporated ("GTE") for changes in certain of its utility plant depreciation rates. On April 28, 1997, GTE filed a motion for rehearing. By letter received May 8, 1997, GTE requested an informal conference with Commission Staff to demonstrate its belief that economic life depreciation is an appropriate methodology in a competitive environment.


The Commission, having considered GTE's motion for rehearing and having been otherwise sufficiently advised, finds that the motion should be granted for the purpose of enabling GTE and Commission Staff to convene in informal conference. The informal conference may produce a settlement to be presented to the Commission for its consideration.

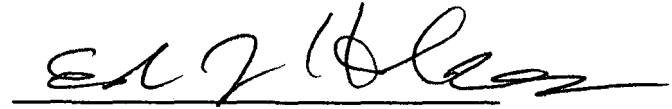
IT IS THEREFORE ORDERED that:

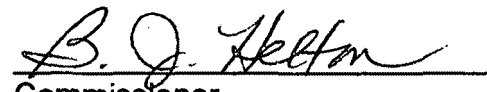
1. GTE's motion for a rehearing is granted.
2. An informal conference is scheduled for May 28, 1997 at 9:00 a.m., Eastern Daylight Time, in Hearing Room 2 of the Commission's offices located at 677 Comanche Trail, Frankfort, Kentucky.

Done at Frankfort, Kentucky, this 19th day of May, 1997.

PUBLIC SERVICE COMMISSION


Chairman


Vice Chairman


Commissioner

ATTEST:


Executive Director