

COMMONWEALTH OF KENTUCKY
BEFORE THE PUBLIC SERVICE COMMISSION

In the Matter of:

AN EXAMINATION BY THE PUBLIC)
SERVICE COMMISSION OF THE)
APPLICATION OF THE FUEL)
ADJUSTMENT CLAUSE OF THE UNION) CASE NO. 96-548-C
LIGHT, HEAT AND POWER COMPANY)
FROM NOVEMBER 1, 1997 TO APRIL)
30, 1998)

O R D E R

Pursuant to Commission Regulation 807 KAR 5:056, the Commission on June 15, 1998 established this case to review and evaluate the operation of the fuel adjustment clause ("FAC") of The Union Light, Heat and Power Company ("ULH&P") for the six months ended April 30, 1998.

As part of this review, the Commission ordered ULH&P to submit certain information concerning its compliance with Commission Regulation 807 KAR 5:056. ULH&P has complied with this Order. A public hearing was held on August 19, 1998. ULH&P subsequently filed with the Commission information which was requested during the hearing.

The Commission, having considered the evidence of record and being otherwise sufficiently advised, finds that ULH&P has properly calculated and applied its FAC charge.

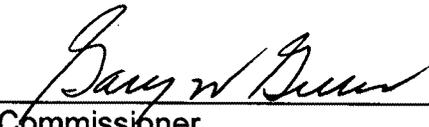
IT IS THEREFORE ORDERED that the charges and credits applied by ULH&P through the FAC for the period November 1, 1997 through April 30, 1998 are approved.

Done at Frankfort, Kentucky, this 26th day of October, 1998.

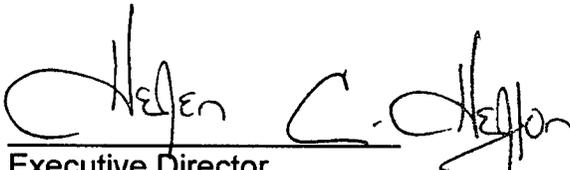
PUBLIC SERVICE COMMISSION


Chairman


Vice Chairman


Commissioner

ATTEST:


Executive Director