COMMONWEALTH OF KENTUCKY

BEFORE THE PUBLIC SERVICE COMMISSION

In the Matter of:

APPLICATION OF HENDERSON UNION ELECTRIC CORPORATION FOR A DECREASE IN EXISTING RATES AND FOR APPROVAL OF CONTRACTS

CASE NO. 97-220

<u>ORDER</u>

Henderson Union Electric Cooperative Corporation ("Henderson Union") has moved for the Commission to amend its Order of June 15, 1998 to permit Henderson Union to continue charging its residential customers the flat rate charges set forth in the Commission's Order of May 6, 1998 prior to the closing of the lease transaction between Big Rivers Electric Corporation and LG&E Energy Corporation.

Having considered the motion and being otherwise sufficiently advised, the Commission finds that the motion should be granted. Henderson Union has been charging the flat rate charges since on and after April 30, 1998. To return to the pre-April 30, 1998 charges will result in customer confusion and in administrative inconvenience for the utility. Since the flat rate charges produce the same level of revenue as the pre-April 30, 1998 rates, neither the utility nor any customer class will be prejudiced by continued use of the flat rate charges.

IT IS THEREFORE ORDERED that:

1. Henderson Union's Motion to Amend is granted.

2. Henderson Union shall charge to residential customers the rates set forth in Appendix A to this Order.

3. All provisions of the May 6, 1998 and June 15, 1998 Orders not amended herein shall remain in full force and effect.

Done at Frankfort, Kentucky, this 24th day of June, 1998.

PUBLIC SERVICE COMMISSION

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Vice Chairman

Commissioner

ATTEST: Executive Director

· APPENDIX A

APPENDIX TO AN ORDER OF THE KENTUCKY PUBLIC SERVICE COMMISSION IN CASE NO. 97-220 DATED June 24, 1998.

The following rates and charges are prescribed for the customers in the area served by Henderson Union Electric Cooperative Corporation. All other rates and charges not specifically mentioned herein shall remain the same as those in effect under authority of this Commission prior to the issuance of this Order.

SCHEDULE A - RESIDENTIAL

Monthly Rate:

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Customer Charge Energy Charge per KWH \$7.91 . 056944

SCHEDULE B - FARM, GOVERNMENT OR COMMERCIAL

Monthly Rate:

Customer Charge Single Phase Customer Charge Three Phase Energy Charge per KWH \$11.50 18.00 .059650