COMMONWEALTH OF KENTUCKY

BEFORE THE PUBLIC SERVICE COMMISSION

In the Matter of:

APPLICATION OF KENTUCKY UTILITIES COMPANY) CASE NO. FOR AUTHORIZATION OF CHANGES IN SERVICE) 2001-138 TERRITORY WITH KENERGY ELECTRIC COOPERATIVE)

ORDER

On May 16, 2001, Kentucky Utilities Company ("KU") filed an application for approval of an agreement with Kenergy Corp. ("Kenergy") to change the electric territorial boundary for the Wal-Mart property in Beaver Dam, Kentucky.

The proposed changes will realign the electric boundary with property lines. KU filed an agreement signed by KU and Kenergy describing the boundary changes. A subdivision map and the affected "Hartford" topographic quadrant map reflecting the boundary changes were filed and signed by KU and Kenergy. No existing customer will be reassigned to a different electric supplier as a result of the proposed territorial boundary changes.

Based on the application and being advised, the Commission finds that the proposed boundary changes will prevent wasteful duplication of facilities, avoid unnecessary encumbering of the landscape, minimize disputes between KU and Kenergy, and provide adequate and reasonable service to all affected areas.

IT IS THEREFORE ORDERED that the boundary changes as agreed upon by KU and Kenergy for the Wal-Mart property in Beaver Dam, Kentucky are approved.

Done at Frankfort, Kentucky, this 13th day of July, 2001.

By the Commission

ATTEST:

Deputy Executive Director