

COMMONWEALTH OF KENTUCKY  
BEFORE THE ENERGY REGULATORY COMMISSION

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In the Matter of:

APPLICATION OF EQUITABLE GAS )  
COMPANY FOR AN ORDER AUTHORIZING )  
AN ISSUANCE AND SALE FROM TIME TO ) CASE NO. 7671  
TIME OF 150,000 SHARES OF COMMON )  
STOCK FOR USE IN EMPLOYEE STOCK )  
OWNERSHIP PLAN (TRASOP) )

O R D E R

On the 26th day of November, 1979, Equitable Gas Company filed its Application seeking authority to issue and sell from time to time not in excess of 150,000 authorized shares of Common Stock of the Company with a par value of \$4.25 per share, under the Company's Employee Stock Ownership Plan (TRASOP). The shares have been reserved out of the authorized but unissued shares of the Company by the Board of Directors at its meeting of April 6, 1979. The purposes of the TRASOP Plan, which has been in effect since January 1, 1976, are to provide ownership of Equitable Common Stock by employees by means of the Plan and to allow the Company to claim additional investment tax credits for Federal income tax purposes as permitted by the Internal Revenue Code. An amount equal to the additional investment tax credits is contributed by the Company to the Plan either in cash, which is used by the Trustee for the Plan to acquire shares of Equitable Common Stock, or in shares of Equitable Common Stock. Employees may also make voluntary contributions to the Plan through payroll deductions which are used by the Trustee to acquire shares of Equitable Common Stock.'

The matter was set for hearing at the Commission's offices on the 3rd day of January, 1980, at which hearing there appeared no party of interest other than the Applicant.

The Commission, after consideration of the Application and being advised, is of the opinion and finds that the issuance and sale from time to time by Equitable Gas Company of its authorized shares of Common Stock is for a lawful object within the corporate purposes of the utility, is necessary and appropriate for and consistent with the proper performance by the utility of its service to the public and will not impair its ability to perform that service, and is reasonably necessary and appropriate for such purposes.

IT IS THEREFORE ORDERED, that Equitable Gas Company be and it hereby is authorized to issue and sell from time not in excess of 150,000 authorized shares of Common Stock of the Company with a par value of \$4.25 per share under the Company's Employee Stock Ownership Plan (TRASOP).

IT IS FURTHER ORDERED, that Equitable Gas Company, shall, as soon as reasonably possible, file with this Commission a statement setting forth the date that all requirements for issuance of the securities authorized herein have been met, a statement of all fees and expenses involved in this securities issue, and any amendments to the Registration Statement as filed with the Securities and Exchange Commission.

IT IS FURTHER ORDERED, that within a reasonable time after each transfer of the shares by the Company, the Company shall file with the Commission a statement showing (a) the number of shares so transferred, and (b) the value of the shares transferred as recorded in the Common Stock account of the Company.

Nothing contained herein shall be construed as a finding of value for any purpose or as a warranty on the part of the Commonwealth of Kentucky or any agency thereof as to the securities authorized herein.

Done at Frankfort, Kentucky, this the 10th day of January, 1980.

ENERGY REGULATORY COMMISSION

  
Chairman

Vice Chairman

Commissioner

ATTEST:

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Acting Secretary