

BEFORE THE
PUBLIC SERVICE COMMISSION OF KENTUCKY

In the Matter of:

THE APPLICATION OF ELECTRIC)
ENERGY, INC. FOR AN ORDER)
AUTHORIZING THE ISSUANCE OF) Case No. 7644
NOTES)

SUPPLEMENTAL ORDER

On December 10, 1981, ELECTRIC ENERGY, INC. ("Applicant") filed its duly verified Supplemental Application seeking authority to execute and deliver to First National Bank in St. Louis and Mercantile Trust Company National Association (the "Banks") Agreements amending and modifying the existing Credit Agreements with the Banks heretofore approved by the Commission in its Order entered in this case on November 15, 1979, and pursuant to said Agreements to issue new Notes in principal amount not to exceed \$26,000,000 with maturities of December 31, 1982, to replace the existing Notes under the Agreements which have maturities of December 31, 1981. With the exception of the maturity dates, the new Notes will have substantially the same terms and conditions including the interest rates, as the existing Notes.

The Commission, after consideration of the Application and record and being advised, is of the opinion and finds that the issuance of the Notes by the Applicant is for lawful objects 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 Electric Energy, Inc. be and it hereby is authorized to (1) execute and deliver the Agreements with First National Bank in St. Louis and Mercantile Trust Company National Association to provide for borrowings through December 31, 1982, not to exceed \$26,000,000 at any time outstanding, and (2) to issue and deliver its unsecured Notes to replace the existing Notes currently outstanding under the present Credit Agreements.

IT IS FURTHER ORDERED, that the proceeds from the loan authorized herein shall be used only for the lawful purposes as set out in the Application.

Nothing contained herein shall be construed as a finding of value for any purposes 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 30th day of December, 1981.

· PUBLIC SERVICE COMMISSION

Marlin M. Vohs
Chairman

Katherine Randall
Vice Chairman

Ann Carreger
Commissioner

ATTEST:

Secretary