COMMONWEALTH OF KENTUCKY

BEFORE THE PUBLIC SERVICE COMMISSION

In the Matter of:

AN INVESTIGATION OF THE UNION LIGHT,) HEAT AND POWER COMPANY'S SERVICE) CASE NO. 10134 AGREEMENT WITH THE CONTINENTAL CAN) COMPANY, INC.)

ORDER

On December 7, 1987, Union Light, Heat and Power Company ("ULH&P") filed a special contract setting forth terms and conditions of electric service to the Continental Can Company, Inc. ("Continental"). The contract provides that ULH&P will bill Continental for all electric service under the terms of the currently effective Rate DT, Time-Of-Day Rate For Service At Distribution Voltage, modified to reflect a demand discount that declines over the five year life of the service contract.

Based on a review of the service contract and being advised, the Commission is of the opinion and hereby finds that the filing is not supported by any revenue and expense analysis to support the modification to the existing tariff Rate DT. The Commission, on its own motion, hereby initiates this investigation to review the reasonableness of the service contract for Continental.

IT IS THEREFORE ORDERED that an investigation be and it hereby is initiated to review the reasonableness of the ULH&P/Continental electric service agreement. Done at Frankfort, Kentucky, this 19th day of January, 1988.

PUBLIC SERVICE COMMISSION

Chairman D. J. Lemanop. ice

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ATTEST:

Executive Director