

COMMONWEALTH OF KENTUCKY
BEFORE THE PUBLIC SERVICE COMMISSION

In the Matter of:

GENERAL ADJUSTMENTS IN ELECTRIC RATES)
OF KENTUCKY POWER COMPANY) CASE NO. 9061

O R D E R

On November 14, 1989, Kentucky Power Company ("Kentucky Power") filed new tariffs to be effective on the in-service date of Rockport Unit No. 2, but not sooner than December 1, 1989, reflecting a decrease of \$5 million compared to the rates that were scheduled to become effective upon the in-service date of Rockport Unit No. 2. This filing is made pursuant to and consistent with the terms of the Settlement Agreement dated October 21, 1988. The rate schedules previously approved to become effective with the in-service date of Rockport Unit No. 2 were approved by the Commission's Order on Remand dated October 28, 1988. The \$5 million reduction reflected in the new rate schedules is a result of anticipated sale/leaseback of Rockport Unit No. 2.

Based on the record of evidence and being otherwise sufficiently advised, the Commission hereby finds that Kentucky Power's rate schedules reflecting a \$5 million decrease are fair, just, and reasonable rates and should be approved for service on and after the in-service date of Rockport Unit No. 2, but not earlier than December 1, 1989.

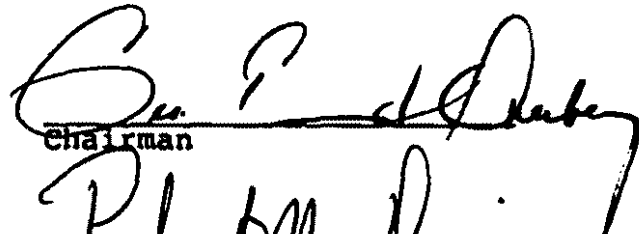
IT IS THEREFORE ORDERED that:

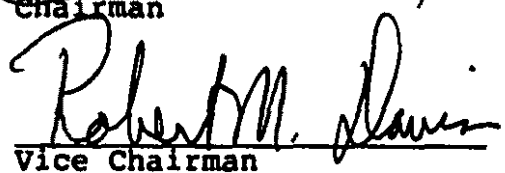
1. Kentucky Power's rate schedules filed on November 14, 1989 be and they hereby are approved for service rendered on and after the in-service date of Rockport Unit No. 2, but not earlier than December 1, 1989.

2. Kentucky Power shall file with the Commission, no later than 5 days after the in-service date of Rockport Unit No. 2, a certification setting forth the in-service date and its revised tariff setting out the rates approved herein.

Done at Frankfort, Kentucky, this 1st day of December, 1989.

PUBLIC SERVICE COMMISSION


Chairman


Vice Chairman

Commissioner

ATTEST:

Executive Director