COMMONWEALTH OF KENTUCKY

BEFORE THE PUBLIC SERVICE COMMISSION

In the Matter of:

THE UNION LIGHT, HEAT AND POWER

COMPANY'S FILING OF A PROPOSED

CONTRACT WITH NEWPORT STEEL

CORPORATION

CASE NO. 91-139

ORDER

On April 5, 1991, The Union Light, Heat and Power Company ("ULH&P") filed a proposed contract for the supply of natural gas to Newport Steel Corporation ("Newport"). On May 3, 1991, the Commission issued its Order suspending the contract pending further investigation, and included as part of that Order a data request.

On May 22, 1991, ULH&P filed its response to the Commission's Order of May 3, 1991, in which it stated that it had fully addressed the Commission's concern by either eliminating or restating parts of its original agreement with Newport that had been the subject of the Commission's data request.

After consideration of the record in this case and being otherwise sufficiently advised, the Commission finds that all of the questions asked in the Commission's request of May 3, 1991 concerned certain provisions of Article V of the ULH&P/Newport contract which are not contained in the revised contract submitted with ULH&P's response of May 22, 1991. The reasonableness of the

contract, as revised, is no longer in question as far as these issues are concerned. There being no other outstanding items, the contract should be considered reasonable.

IT IS THEREFORE ORDERED that the ULH&P/Newport contract, as submitted in the filing of May 22, 1991, is hereby approved effective with the date of this Order.

Done at Frankfort, Kentucky, this 9th day of July, 1991.

PUBLIC SERVICE COMMISSION

Chairman

Vice Chairman

Commissioner

ATTEST: