

COMMONWEALTH OF KENTUCKY
BEFORE THE PUBLIC SERVICE COMMISSION

In the Matter of:

APPLICATION OF HENDERSON UNION)
ELECTRIC CORPORATION FOR A) CASE NO.
DECREASE IN EXISTING RATES AND FOR) 97-220
APPROVAL OF CONTRACTS)

O R D E R

Henderson Union Electric Cooperative Corporation ("Henderson Union") has petitioned for rehearing on the Commission's Order of May 6, 1998. Its petition presents issues that the Commission has addressed and resolved in its Order of June 11, 1998 in Case No. 97-204.¹ Having considered the petition, the Commission finds that, consistent with the terms of the June 11, 1998 Order, Henderson Union's petition should be granted.

IT IS THEREFORE ORDERED that:

1. Henderson Union's petition for rehearing on the issue of pricing power for Alcan Aluminum Corporation under Tier 3 after the year 2000 is granted.
2. The May 6, 1998 Order is modified to allow Henderson Union to continue charging the rates in effect on April 29, 1998 until the closing of the lease transaction between Big Rivers Electric Corporation ("Big Rivers") and LG&E Energy Corporation ("LEC").
3. Henderson Union is granted a delay in the filing of its tariff sheets until 10 days after the closing of the lease transaction between Big Rivers and LEC.


¹ Case No. 97-204, Application of Big Rivers Electric Corporation, Louisville Gas and Electric Company, Western Kentucky Energy Corp., Western Kentucky Leasing Corp., and LG&E Station Two Inc. for Approval of Wholesale Rate Adjustment for Big Rivers Electric Corporation and for Approval of Transaction.

4. The rates approved by the May 6, 1998 Order² shall become effective one day after the closing of the lease transaction between Big Rivers and LEC.

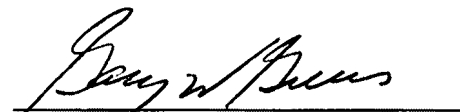
5. All provisions of the May 6, 1998 not modified herein shall remain in full force and effect.

Done at Frankfort, Kentucky, this 15th day of June, 1998.

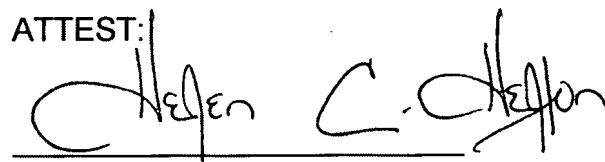
PUBLIC SERVICE COMMISSION


Chairman


Vice Chairman


Commissioner

ATTEST:


Executive Director

² These rates include corrections that the Commission ordered, nun pro tunc, on June 2 and June 10, 1998.