

COMMONWEALTH OF KENTUCKY
BEFORE THE PUBLIC SERVICE COMMISSION

In the Matter of:

LOUISVILLE GAS & ELECTRIC COMPANY)	
)	
_____)	CASE NO. 98-184
)	
ALLEGED FAILURE TO COMPLY WITH)	
ADMINISTRATIVE REGULATIONS 807 KAR)	
5:006, SECTION 24, AND 807 KAR 5:041,)	
SECTION 3)	

ORDER

On April 27, 1998, the Commission directed Louisville Gas & Electric (LG&E) to appear before it and show cause why it should not be penalized pursuant to KRS 278.990(1) for its alleged violations of Commission Regulations 807 KAR 5:006, Section 24 and 807 KAR 5:041, Section 3. Following the commencement of this proceeding, LG&E and Commission Staff entered into negotiations to resolve all outstanding issues in this proceeding. On August 27, 1999, they executed a Settlement Agreement, appended hereto.

In reviewing this Settlement Agreement, the Commission has considered, inter alia, the circumstances surrounding the July 20, 1997 incident and LG&E s efforts to comply with the Commission s safety regulations. The Commission finds that the Settlement Agreement is in accordance with the law, does not violate any regulatory principle, results in a reasonable resolution of this case, and is in the public interest.

IT IS THEREFORE ORDERED that:

1. The Settlement Agreement, appended hereto, is incorporated into this Order as if fully set forth herein.

2. The terms and conditions set forth in the Settlement Agreement are adopted and approved.

3. Within 10 days of the date of this Order, LG&E shall pay to the Commonwealth of Kentucky the sum of Twelve Hundred (\$1,200) Dollars. This payment shall be in the form of a cashier's or certified check made payable to Treasurer, Commonwealth of Kentucky and shall be mailed or delivered to: Office of General Counsel, Public Service Commission of Kentucky, 730 Schenkel Lane, Post Office Box 615, Frankfort, Kentucky 40602.

4. This case is closed and shall be removed from the Commission's docket.

Done at Frankfort, Kentucky, this 13th day of October, 1999.

By the Commission

ATTEST:

Executive Director