COMMONWEALTH OF KENTUCKY

BEFORE THE PUBLIC SERVICE COMMISSION

In the Matter of:

LOUISVILLE GAS AND ELECTRIC COMPANY   )
)
_____   )   CASE NO. 99-378
)
ALLEGED VIOLATION OF COMMISSION   )
REGULATION 807 KAR 5:022, SECTION 9(13)(a),   )
807 KAR 5:027, SECTION 3(1)(c)   )

O R D E R

On September 20, 1999, the Commission issued an Order to Louisville Gas and Electric Company ("LG&E") to show cause why it should not be found in violation of 807 KAR 5:022, Section 9(13)(a), and 807 KAR 5:027, Section 3(1)(c), and penalized under KRS 278.990(1). LG&E filed a response to the Commission's Order and requested an informal conference with Commission Staff. An informal conference was held on November 1, 1999 pursuant to an Order of the Commission. Commission Staff and LG&E have entered into a Settlement Agreement in which LG&E agreed to pay $500 for each alleged violation for a total of $1,000 in settlement of this case, and to take certain safety precautions in the Anita Springs subdivision.

After due consideration of the proposed Settlement Agreement and being otherwise sufficiently advised, the Commission finds that the Settlement Agreement as submitted is fair and reasonable and should be approved.

IT IS THEREFORE ORDERED that:

1. The Settlement Agreement, attached as Appendix A, is incorporated into this Order as if fully set forth herein.

2. The formal hearing previously set in this case is cancelled.

3. Within 10 days of the date of this Order, LG&E shall pay a civil penalty of $1,000 to the Commonwealth of Kentucky in settlement of this case. This payment shall be in the form of a cashier's check made payable to the Kentucky State Treasurer and shall be mailed or delivered to the Office of General Counsel, Public Service Commission, 211 Sower Boulevard, Post Office Box 615, Frankfort, Kentucky 40602.

Done at Frankfort, Kentucky, this 8th day of May, 2000.

By the Commission

ATTEST:

_____
Executive Director