EXTENSION NO. 2 TO ADDENDUM FILED WITH KENTUCKY PUBLIC SERVICE COMMISSION ON JANUARY 22, 1997

The purpose of this second extension is to extend the Terms and Conditions of the Addendum which was filed with the Kentucky Public Service Commission on January 22, 1997 for the months of January though April, 1997. Extension No. 1 extended the Terms and Conditions through June 27, 1997. This second extension is to extend the Terms and Conditions from June 28, 1997 through July 31, 1997.

> PUBLIC SERVICE COMMISSION OF KENTUCKY EFFECTIVE

> > JUL 0 2 1997

PURSUANT TO 807 KAR 5:011, SECTION 9 (1) BY: <u>Phyllis Jannin</u> DIRECTOR PRATES & RESEARCH DIV. KENTUCKY POWER COMPANY

B١

Its Assistant Secretary

KENTUCKY ELECTRIC STEEL, INC.

Βv

Its <u>President</u>