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Before the
FEDERAL COMMUNICATIONS COMMISSION
Washington, D.C. 20554

In the Matter of)
)
LG&E ENERGY CORP.) Acct. No. X32080032
) File No. EB-00-IH-0148/GS
Licensee of Land Mobile, Fixed)
Microwave, and Marine Coastal)
Authorizations in Kentucky and)
Virginia)

MEMORANDUM OPINION AND ORDER

Adopted: September 12, 2000 Released: September 15,

2000

By the Chief, Enforcement Bureau:

1. By this Memorandum Opinion and Order we adopt the attached Consent Decree in which LG&E Corp. ('`LG&E'') agrees to implement an internal compliance program and to make a voluntary contribution to the United States Treasury. We find, for the reasons discussed below, that the Consent Decree provides for a just and reasonable resolution of the Bureau's investigation into LG&E's compliance with Section 310(d) of the Communications Act of 1934, as amended,¹ and conclude that adoption of the Consent Decree is in the public interest.

2. LG&E is a diversified energy services company headquartered in Louisville, Kentucky. It owns and operates power generation, project development, asset-based energy marketing, and retail gas and electric distribution businesses. In connection with its

utility-related businesses, LG&E and its subsidiaries operate internal communications systems that employ land mobile, fixed microwave and marine coastal radio facilities.

3. In a transaction consummated in 1990, Louisville Gas and Electric Company created a holding company, LG&E, of which Louisville Gas and Electric Company became a wholly-owned subsidiary. The corporate reorganization resulted in the pro forma transfer of control of Louisville Gas and Electric Company's fixed microwave stations to LG&E, for which Commission consent was required pursuant to Section 310(d) of the Act. The companies, however, did not file applications for Commission consent to the transfer of control of these stations until August 2000. In addition, in a transaction consummated on May 4, 1998, LG&E acquired KU Energy Corporation ('`KU Energy''), a utility holding company. KU Energy's major operating subsidiary was Kentucky Utilities Company ('`KU''), licensee of marine coastal, fixed microwave, and land mobile stations. The merger of KU Energy into LG&E resulted in the substantial transfer of control of KU's stations to LG&E, for which Commission consent was required pursuant to Section 310(d) of the Act. The companies, however, did not file applications for Commission consent to the transfer of control of these stations until May 1, 2000. Also, on July 8, 1999, LG&E acquired CRC-Evans Pipeline International, Inc. ('`CRC-Evans''), a pipeline supply manufacturer and licensee of a land mobile station. This acquisition resulted in the substantial transfer of control of the CRC-Evans station to LG&E, for which Commission consent was required pursuant to Section 310(d) of the Act. The companies, however, did not file an application for Commission consent to the transfer of control of the station until May 1, 2000.

4. The Bureau has reached an agreement with LG&E that will resolve this investigation. The terms and conditions of the agreement are contained in the attached executed Consent Decree. Among other things, the Consent Decree contemplates that LG&E will implement a program to ensure its future compliance with the Act and the Commission's rules and policies. In addition, the Consent Decree contemplates that LG&E will make a voluntary contribution to the United States Treasury in the amount of \$15,000.00.2

5. We have reviewed the Consent Decree and evaluated the circumstances underlying the investigation. We believe that the public interest would be served by adopting the Consent Decree and terminating the investigatory proceeding.

6. ACCORDINGLY, IT IS ORDERED that, pursuant to delegated authority, the Consent Decree attached hereto IS ADOPTED.

7. IT IS FURTHER ORDERED, that the above-captioned investigatory proceeding IS TERMINATED.

FEDERAL COMMUNICATIONS COMMISSION

David H. Solomon
Chief, Enforcement Bureau

1 47 U.S.C. § 310(d).

2 Payment may be made by mailing a check or similar instrument,
payable to the order of the Federal Communications Commission, to
the Forfeiture Collection Section, Finance Branch, Federal
Communications Commission, P.O. Box 73482, Chicago, Illinois
60673-7482. The payment should note the Acct. No. referenced
above.