

COMMONWEALTH OF KENTUCKY
BEFORE THE PUBLIC SERVICE COMMISSION

In the Matter of:

GASCO DISTRIBUTION SYSTEMS, INC.)	
_____)	CASE NO. 2000-147
)	
ALLEGED VIOLATION OF KRS 278.020)	

O R D E R

Gasco Distribution Systems, Inc. ("Gasco") is a local gas distribution company subject to the Commission's jurisdiction pursuant to KRS 278.040. On December 15, 1999, in Case No. 99-501,¹ Gasco applied for a certificate of public convenience and necessity to construct approximately 31,700 feet of transmission main to provide natural gas service to existing and additional customers in Albany, Kentucky and the surrounding area.

Having reviewed the evidence of record and being otherwise sufficiently advised, the Commission finds that:

1. On December 15, 1999, Gasco applied for a certificate of public convenience and necessity to construct approximately 31,700 feet of transmission main to provide natural gas service to existing and additional customers in and around the Albany, Kentucky area.

2. In an Order dated January 24, 2000, the Commission requested from Gasco certain information concerning the proposed construction. In its response filed on January 31, 2000, Gasco advised the Commission that construction on the proposed

¹ The Petition of Gasco Distribution Systems, Inc. For Approval of a Certificate of Convenience and Necessity to Construct Facilities, Case No. 99-501.

facilities had commenced on November 1, 1999, and that construction of the facilities had been completed on January 25, 2000.

3. KRS 278.020(1) prohibits any person, partnership, public or private corporation, or combination thereof from beginning construction of any plant, equipment, property, or facility for furnishing to the public any of the services enumerated in KRS 278.010 until such person has obtained from the Commission a certificate that the public convenience and necessity require such construction.

4. A *prima facie* showing has been made that Gasco has violated KRS 278.020(1) by its construction of the proposed facilities in Case No. 99-501 without first obtaining a certificate of public convenience and necessity from the Commission.

5. A *prima facie* showing has been made that Fred A. Steele and Charles D. Hercher have aided and abetted Gasco in its violation of KRS 278.020(1) by its construction of the proposed facilities in Case No 99-501 without first obtaining a certificate of public convenience and necessity from the Commission.

The Commission, on its own motion, HEREBY ORDERS that:

1. Gasco shall appear before the Commission on May 11, 2000 at 9:30 a.m., Eastern Daylight Time, in Hearing Room 1 of the Commission's offices at 211 Sower Boulevard, Frankfort, Kentucky for the purpose of presenting evidence concerning the alleged violations of KRS 278.020(1), and of showing cause why it should not be subject to the penalties prescribed in KRS 278.992(1) for this alleged violation. Neither opening statements nor witnesses' summaries of prefiled direct testimony will be permitted at this hearing.

2. Fred A. Steele, president of Gasco, and Charles D. Hercher, project engineer, shall also appear before the Commission on May 11, 2000 at the same time and place as stated above for the purpose of presenting evidence concerning their conduct to aid and abet Gasco's violation of KRS 278.020(1), and of showing cause why each should not be subject to the penalties prescribed in KRS 278.992(1) for this alleged violation. Neither opening statements nor witnesses' summaries of prefiled direct testimony will be permitted at this hearing.

3. The record in Case No. 99-501 is incorporated by reference into the record of this proceeding.

4. Within 20 days of the date of this Order, Gasco, Fred A. Steele, and Charles D. Hercher each shall file a written response to the Commission concerning the allegations contained herein.

5. Any motion requesting an informal conference with Commission Staff to consider any matter that would aid in the handling or disposition of this proceeding shall be filed with the Commission no later than 20 days from the date of this Order.

Done at Frankfort, Kentucky, this 3rd day of April, 2000.

By the Commission

ATTEST:



Executive Director