

COMMONWEALTH OF KENTUCKY  
BEFORE THE PUBLIC SERVICE COMMISSION

In the Matter of:

THE FILING BY KENERGY CORP.	)	
FOR APPROVAL OF A FRANCHISE BILLING	)	CASE NO.
PLAN AND FOR PERMISSION TO DEVIATE	)	2002-00402
FROM THE PUBLIC NOTICE REQUIREMENTS	)	
OF 807 KAR 5:011	)	

O R D E R

On October 2, 2002, the Commission received a tariff filing from Kenergy Corp. ( Kenergy ) proposing a Franchise Billing Plan and revisions to its tariff to make local government franchise payments determined in accordance with its proposed Franchise Billing Plan applicable to certain customers effective December 20, 2002. Kenergy stated that it had recently entered into a franchise agreement with the city of Owensboro that includes a franchise fee of 1 percent of gross revenues. On December 17, 2002, the Commission entered an Order suspending the tariff up to and including May 19, 2003.

On December 27, 2002, Kenergy moved the Commission to permit it to place into effect on January 3, 2003 the proposed 1 percent franchise fee subject to refund. Kenergy states that it makes such request to avoid paying the fee to the city of Owensboro without means of recovery. It states that it will maintain its records in a manner that will enable it to properly make refunds in the event a refund is ordered.

The Commission, having considered the motion and being otherwise sufficiently advised, finds that Kenergy s motion should be granted.

IT IS THEREFORE ORDERED that:

1. Kenergy's motion to place the 1 percent franchise fee to the city of Owensboro members into effect subject to refund is granted.

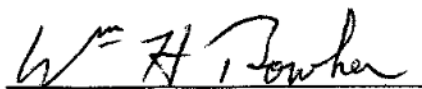
2. Kenergy shall maintain its records in such manner as will enable it, the Commission, or any of its customers to determine the amounts to be refunded and to whom in the event a refund is ordered by the Commission.

Done at Frankfort, Kentucky, this 3<sup>rd</sup> day of January, 2003.

By the Commission

ATTEST:

Deputy



Executive Director