

COMMONWEALTH OF KENTUCKY
BEFORE THE PUBLIC SERVICE COMMISSION

In the Matter of:

APPLICATION OF KENERGY CORP.)	
FOR REDUCTION IN REVENUE AND)	CASE NO.
ADJUSTMENT IN EXISTING RATES)	2004-00446

O R D E R

On December 16, 2004, Kenergy Corp. ("Kenergy") tendered its application for an adjustment of its electric rates based on a historic test period. The application was administratively determined to satisfy the minimum filing requirements and was considered filed as of December 16, 2004.

Kenergy selected January 15, 2005 as the effective date of its proposed rates. Based on a review of Kenergy's rate application, the Commission finds that an investigation is necessary to determine the reasonableness of the proposed rates and that investigation cannot be concluded by January 15, 2005. Therefore, pursuant to KRS 278.190(2), Kenergy's proposed rates should be suspended for the maximum time allowed and a procedural schedule should be established to conduct the investigation.

On December 7, 2004, Kentucky Industrial Utility Customers, Inc. ("KIUC") filed a motion for full intervention. It appears to the Commission that such intervention is likely to present issues and develop facts that will assist the Commission in fully considering the matter without unduly complicating or disrupting the proceedings.

The Commission expects the parties to use their best efforts to informally resolve any discovery disputes or requests for extensions of time. Any such informal resolution

should be promptly reduced to writing and filed with the Commission and all parties of record. Absent informal resolution, an objection or motion should be filed at least 4 business days prior to the established due date or should explain why it could not have been filed upon 4 business days' notice.

IT IS THEREFORE ORDERED that:

1. Kenergy's proposed rates are suspended for 5 months from January 15, 2005, up to and including June 14, 2005.
2. The procedural schedule set forth in Appendix A, which is attached hereto and incorporated herein, shall be followed.
3. All requests for information and responses thereto shall be appropriately indexed and 5 copies shall be filed with the Commission, with copies to all parties of record. Any request for information from the Commission Staff shall be responded to as if set forth in a Commission Order. All responses shall include the name of the witness who will be responsible for responding to questions at any hearing in this proceeding related to the information provided.
4. Any party filing testimony shall file an original and 8 copies.
5. Kenergy shall give notice of the hearing in accordance with the provisions set out in 807 KAR 5:011, Section 8(5). At the time publication is requested, Kenergy shall forward a duplicate of the notice and request to the Commission.
6. At any public hearing in this matter, neither opening statements nor summarization of direct testimonies shall be permitted.
7. The motion of KIUC to intervene is granted.

8. KIUC shall be entitled to the full rights of a party and shall be served with the Commission's Orders and with filed testimony, exhibits, pleadings, correspondence, and all other documents submitted by parties after the date of this Order.

9. Should KIUC file documents of any kind with the Commission in the course of these proceedings, it shall also serve a copy of said documents on all other parties of record.

10. Any objections or motions relating to discovery or procedural dates shall be filed upon 4 business days' notice or explain why such notice was not possible.

11. Nothing contained herein shall prevent the Commission from entering further Orders in this matter.

Done at Frankfort, Kentucky, this 12th day of January, 2005.

By the Commission

ATTEST:

A handwritten signature in black ink, consisting of several overlapping loops and a long horizontal stroke at the end, positioned above a solid horizontal line.

Executive Director

APPENDIX A

APPENDIX TO AN ORDER OF THE KENTUCKY PUBLIC SERVICE
COMMISSION IN CASE NO. 2004-00446 DATED January 12, 2005

All initial requests for information to Kenergy shall be filed no later than	01/21/05
Kenergy shall file responses to initial requests for information no later than	02/04/05
All supplemental requests for information to Kenergy shall be filed no later than	02/18/05
Kenergy shall file responses to supplemental requests for information no later than.....	03/04/05
Intervenor testimony, if any, in verified prepared form shall be filed no later than	03/18/05
All requests for information to Intervenors shall be filed no later than.....	04/01/05
Intervenors shall file responses to requests for information no later than.....	04/15/05
Last day for Kenergy to publish notice of hearing	04/19/05
Kenergy's rebuttal testimony, if any, in verified prepared form shall be filed no later than	04/22/05
Public Hearing is to begin at 9:00 a.m., Eastern Daylight Time, in Hearing Room 1 of the Commission's offices at 211 Sower Boulevard, Frankfort, Kentucky, for the purpose of cross-examination of witnesses of Kenergy and Intervenors	04/26/05
Briefs, if any, shall be filed by.....	05/17/05