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John W. Clay
Vice Chairman

Caroline Pitt Clark
Commissioner

May 22, 2008

RE: Case No. 2008-00164

We enclose one attested copy of the Commission's Order in the above case.

Sincerely,

A handwritten signature in cursive script that reads "Stephanie Stumbo".

Stephanie Stumbo
Executive Director

SS/rs
Enclosure

COMMONWEALTH OF KENTUCKY
BEFORE THE PUBLIC SERVICE COMMISSION

In the Matter of:

KENERGY CORP.)	
_____)	CASE NO. 2008-00164
ALLEGED FAILURE TO COMPLY)	
WITH KRS 278.042)	

O R D E R

Kenergy Corp. ("Kenergy") is a corporation engaged in the distribution of electricity for compensation for lights, heat, power, and other uses. It is subject to the jurisdiction of the Commission.¹ Pursuant to KRS 278.042, the Commission shall prescribe the service adequacy and safety standards for electric utilities, as stated in the Commission's administrative regulations and in the most recent edition of the National Electrical Safety Code ("NESC"). Under 807 KAR 5:041, Section 3(1), the Commission requires utilities to construct and maintain plants and facilities in accordance with engineering practices set forth in the NESC.

Commission Staff submitted to the Commission an Electric Utility Personal Injury Accident Report ("Report") dated April 4, 2008, attached hereto as Appendix A. The Report alleges that, on March 1, 2008, Jason Koger was injured after coming into contact with a low-hanging energized 7,200 volt single phase tap line.

The accident occurred near Hill Bridge Road in Utica, Daviess County, Kentucky. Mr. Koger, a nearby resident, was operating an all terrain vehicle ("ATV") with three

¹ See KRS 278.010(3)(a).

teenage passengers and riding on property known as Beanland Farms. During the ride, Mr. Koger came across a sagging single-phase line. He raised the neutral conductor and drove his ATV under the neutral conductor. Mr. Koger then drove to Travis Hayden's house to report the sagging wire. Mr. Hayden is reportedly the owner of the farm property and a cousin of Mr. Koger. Mr. Hayden, operating his own ATV, accompanied Mr. Koger to the site. When they approached the low-hanging wires, Mr. Koger touched the bottom neutral conductor with his left hand and the top energized phase conductor with his right hand. Mr. Koger's actions caused the tap line fuse protecting the tap line to blow, and he sustained severe burns to his hands and lower arms.

Kenergy employees arrived at the site shortly after the accident occurred and took photographs of the site. The phase conductor and the neutral conductor were low to the ground because the downed guy wire holding the strain on this span had rusted and pulled apart under the guy wire marker. Kenergy employees measured the ground clearance of the neutral conductor at 43 inches and the phase conductor at 86 inches.

The Report noted one violation of Administrative Regulation 807 KAR 5:041, Section 3(1). The alleged violation arises under the 2007 edition of the NESC. The alleged violation is as follows:

NESC Section 232-B-1: The vertical clearance of wires, conductors, and cables above ground on cultivated land traversed by vehicles shall not be less than 15.5 feet for a neutral conductor and 18.5 feet for a primary conductor.

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

1. Kenergy shall submit to the Commission, within 20 days of the date of this Order, a written response to the allegations contained in the Report.

2. Kenergy shall appear on September 9, 2008 at 10:00 a.m., Eastern Daylight Time, in Hearing Room 1 of the Commission's offices at 211 Sower Boulevard in Frankfort, Kentucky to present evidence concerning the incident which is the subject of the Report. Specifically, Kenergy shall present evidence as to the single violation of KRS 278.042 and the NESC and to show cause as to why it should not be held subject to the penalties of KRS 278.990 for the alleged violation.

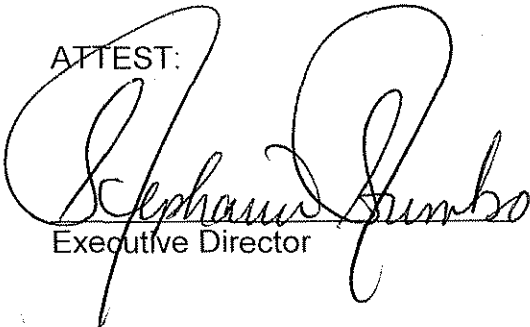
3. The Report, attached hereto as Appendix A, is made a part of the record in this case.

4. Any requests for an informal conference with Commission Staff shall be set forth in writing and filed with the Commission within 20 days of the date of this Order.

Done at Frankfort, Kentucky, this 22nd day of May, 2008.

By the Commission

ATTEST:


Executive Director

APPENDIX A

APPENDIX TO AN ORDER OF THE KENTUCKY PUBLIC SERVICE
COMMISSION IN CASE NO. 2008-00164 DATED MAY 22, 2008

A copy of the report is available upon request.