

COMMONWEALTH OF KENTUCKY
BEFORE THE PUBLIC SERVICE COMMISSION

In the Matter of:

WESTERN KENTUCKY GAS)
_____))
ALLEGED VIOLATIONS OF 807 KAR) CASE NO. 97-289
5:022)

O R D E R

On July 23, 1997, Western Kentucky Gas ("Western") filed a document styled Response to Order of June 26, 1997 ("Response"). In this Response, Western asked that this action be dismissed, presumably due to its stated belief that there were no violations of safety procedures related to the incident that occurred at 511 Smith Street in Danville, Kentucky, on March 4, 1997. Clearly this fact has not been established. As this proceeding was initiated for the purpose of determining whether Western did indeed fail to follow its operating and maintenance plan, a violation of 807 KAR 5:022, Section 1(7)(c), and the requirements of the National Fire Protection Association, Standard 54, Part 4.2.1, and for Western to show cause why civil penalties should not be assessed against it for these alleged violations, it is unreasonable for Western to request that this proceeding be dismissed at the present time. Western has presented no evidence to refute the prima facie showing that has been made against it.

In its Response, Western also proposed to work with Commission Staff to determine what steps it could take "to continue to insure the public that gas service is being provided in accordance with all applicable safety standards," and proposed that an informal conference be scheduled to begin the review process to determine if

modifications to Western's existing O&M plan or Commission regulations are needed. While these are laudable purposes, the Commission finds, as this case is not to be dismissed, that an informal conference for the purpose of discussing the issues involved in this proceeding would be more appropriate at present. Matters such as those proposed by Western may certainly be discussed at the informal conference as well.

IT IS THEREFORE ORDERED that:

1. Western's request to dismiss the present show cause action is denied.
2. Western's request for an informal conference is granted, but shall include discussions of the issues involved in this proceeding, as well as any other relevant matters Western may wish to discuss.
3. The informal conference shall be held August 26, 1997 at 10:00 a.m., Eastern Daylight Time, in Conference Room 1 of the Commission's offices at 730 Schenkel Lane, Frankfort, Kentucky.

Done at Frankfort, Kentucky, this 5th day of August, 1997.

PUBLIC SERVICE COMMISSION


For the Commission

ATTEST:


Executive Director