

COMMONWEALTH OF KENTUCKY
BEFORE THE PUBLIC SERVICE COMMISSION

In the Matter of:

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

O R D E R

The Commission, upon review of the record of this case, has determined that the Show Cause Order dated June 26, 1997 did not specifically state that the alleged violations cited therein could be assessed penalties under the provisions of KRS 278.990(1).

Since KRS 278.990(1) requires a finding of a willful violation of KRS Chapter 278 or any regulation promulgated pursuant thereto; whereas KRS 278.992 only requires a violation be found, Western Kentucky Gas Company ("WKG") should be granted an opportunity to fully address the alleged violations as set out in the Show Cause Order under the penalty provisions of KRS 278.990(1). The Commission believes the facts of this case have been fully developed in the proceeding of record, but that WKG should be given leave to fully address whether penalties for the alleged violations maybe assessed under KRS 278.990(1). The Commission, having reviewed the investigation report, the Show Cause Order issued herein, and the case file, finds that any penalty that may be assessed against the utility could be assessed for alleged violations under KRS 278.990(1).

IT IS THEREFORE ORDERED that:

1. The Show Cause Order dated June 26, 1997 is amended to allege why civil penalties should not be assessed pursuant to KRS 278.990(1) or KRS 278.992.
2. Within 10 days from the date of this Order, WKG shall file notice with the Commission that it requests an additional hearing on the single issue of whether or not the alleged violations, as set out in the Show Cause Order, could be assessed penalties under KRS 278.990(1).
3. If WKG does not request a hearing on the issue of the assessment of a penalty for the alleged violations under KRS 278.990(1), WKG shall file a brief with the Commission upon the issue of whether or not WKG can be assessed penalties for the alleged violations under KRS 278.990(1). Said brief shall be due 45 days from the date of this Order.

Done at Frankfort, Kentucky, this 4th day of August, 1998.

PUBLIC SERVICE COMMISSION



For the Commission

ATTEST:



Executive Director