COMMONWEALTH OF KENTUCKY

BEFORE THE PUBLIC SERVICE COMMISSION

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In the Matter of:

BLAINE CITY GAS COMPANY

CASE NO. 2000-417

ALLEGED VIOLATIONS OF ADMINISTRATIVE REGULATION 807 KAR 5:022 and 49 CFR 189-199

ORDER

Blaine City Gas Company ("Blaine") is a municipally owned natural gas distribution system serving the city of Blaine, Kentucky.

On October 4, 2000, the Commission entered an Order setting a formal hearing for November 16, 2000. On November 14, 2000, Blaine filed a motion for a continuance of that hearing. Blaine states in its motion that it is actively seeking compliance with the law. Moreover, counsel for the utility has scheduling conflicts between the hearing date and appearances in both circuit and district court.

The Commission finds that the formal hearing in this matter should be continued. However, the Commission advises that counsel should review their calendars upon receiving notice of a hearing date and notify the Commission as soon as possible of scheduling conflicts.

The Commission, being sufficiently advised, HEREBY ORDERS that:

1. The formal hearing scheduled for November 16, 2000 is cancelled.

2. On December 20, 2000, Blaine shall file a detailed report of its efforts to correct the violations described in the Commission's Order of October 4, 2000 and the Comprehensive Inspection Report of August 23, 2000. Blaine's report shall include, but shall not be limited to, a description of all contracts, agreements, contacts, and proposed employees.

3. Blaine shall appear for an informal conference with Commission Staff on January 9, 2001 at 9:30 a.m., Eastern Standard Time, in Conference Room 1 of the Commission's offices at 211 Sower Boulevard, Frankfort, Kentucky for the purpose of reviewing the detailed report filed by Blaine and discussing any further action required of Blaine for compliance with Commission regulations. Representatives of Blaine should be prepared at the informal conference to enter into an agreement with Commission Staff that would dispose of all issues, including civil penalties, pending before the Commission in this matter.

4. On January 17, 2001 at 9:30 a.m., Eastern Standard Time, Blaine shall appear in Hearing Room 1 of the Commission's offices for the purpose of presenting evidence concerning the alleged violation of Administrative Regulation 807 KAR 5:022 and 49 CFR, and of showing cause why it should not be subject to the penalties prescribed in KRS 278.992(1) for this alleged violation.

Done at Frankfort, Kentucky, this 17th day of November, 2000.

By the Commission

ATTEST: