COMMONWEALTH OF KENTUCKY

BEFORE THE PUBLIC SERVICE COMMISSION

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

<u>O R D E R</u>

On August 29[,] 2001, the Commission entered an Order imposing penalties upon Blaine City Gas Company (Blaine) for violations of safety regulations. For the 34 safety violations described in that Order, the Commission set penalties and adopted a compliance schedule, which mandated Blaine to perform five specific tasks by a date certain. Blaine was to have complied with all safety requirements no later than January 1, 2002. The Commission also adopted a sliding scale of penalty payments if the specific required tasks were not performed.

On December 17, 2001, the Commission entered an Order which found that of the five specific tasks to be performed by Blaine and certified to the Commission within the time specified, only a document indicating compliance with ordering paragraph 2(a) of the August 29, 2001 Order had been filed.

The Commission found that there was no certification filed that the other four tasks had been performed. Accordingly, the Commission revoked the suspended penalty for each violation and ordered Blaine to pay \$20,000 of the \$50,000 penalty previously imposed.

On January 2, 2002, Blaine filed a motion pursuant to CR 59.05 requesting the Commission to alter or vacate its Order of December 17, 2001. The Commission finds that the motion for a rehearing should be denied. Any request for a rehearing must be filed pursuant to KRS 278.400. Such request must set forth specifically the matters upon which rehearing is sought. Blaine has not indicated any additional evidence that it could not have with reasonable diligence offered prior to December 17, 2001. The December 17, 2001 Order makes payable certain penalties that were suspended in the Commission s Order of August 29, 2001. The motion filed by Blaine makes it clear that the filing requirements of the August 29, 2001 Order were not met and that there is no evidence offered to require rehearing.

Being sufficiently advised, the Commission HEREBY ORDERS that the motion filed by Blaine on January 2, 2002 is denied.

Done at Frankfort, Kentucky, this 23rd day of January, 2002.

By the Commission

ATTEST: