COMMONWEALTH OF KENTUCKY

BEFORE THE PUBLIC SERVICE COMMISSION

In the Matter of:

KENERGY CORP.)	
) CASE NO. 2002-0004	ŀ8
ALLEGED FAILURE TO COMPLY WITH)	
ADMINISTRATIVE REGULATION)	
807 KAR 5:041, SECTION 3)	

<u>ORDER</u>

Kenergy Corp. (Kenergy) is a nonprofit electric cooperative corporation organized pursuant to KRS 279.010 to 279.220. It engages in the distribution of electricity to the public for compensation for lights, heat, power, and other uses, and is a utility subject to Commission jurisdiction. KRS 278.010; KRS 279.210.

On May 3, 2002, the Commission found that <u>prima facie</u> evidence existed that Kenergy had failed to comply with 807 KAR 5:041, Section 3, and initiated a show cause proceeding that directed Kenergy to appear at a hearing to show cause why it should not be penalized pursuant to KRS 278.990(1) for its alleged violation of Commission regulations.

After reviewing Kenergy's responses and being otherwise sufficiently advised, the Commission finds that Kenergy has rebutted the <u>prima facie</u> evidence and that this proceeding should be dismissed with prejudice.

IT IS THEREFORE ORDERED that this case is dismissed with prejudice and is removed from the Commission's docket.

Done at Frankfort, Kentucky, this 13th day of December, 2002.

By the Commission

ATTEST:

Executive Director