

COMMONWEALTH OF KENTUCKY
BEFORE THE PUBLIC SERVICE COMMISSION

In the Matter of:

PETITION OF STEPP BRANCH)
GAS COMPANY, INC. TO CEASE)
OPERATIONS OF ITS NATURAL) CASE NO. 2002-00182
GAS DISTRIBUTION SYSTEM)

O R D E R

On June 5, 2001, Stepp Branch Gas Company, Inc. (Stepp Branch) filed a petition with the Commission requesting authority to cease all operations as a natural gas distribution utility.

By Commission Order, a formal public hearing of this matter has been scheduled for July 11, 2002.

The Commission finds that Stepp Branch should provide notice of the hearing to its customers and the general public.

Accordingly, the Commission HEREBY ORDERS that:

1. On or before June 24, 2002, Stepp Branch shall provide notice of the formal hearing to each customer by first class mail.
2. Stepp Branch shall file with the Commission, on or before June 28, 2002, proof of mailing showing the date of mailing, to whom it was mailed, and a copy of each notice.
3. This notice shall conform to the format set forth in Appendix A.

Done at Frankfort, Kentucky, this 17th day of June, 2002.

By the Commission

ATTEST:


Executive Director

APPENDIX A

APPENDIX TO AN ORDER OF THE KENTUCKY PUBLIC SERVICE

COMMISSION IN CASE NO. 2002-00182 DATED June 17, 2002

**NOTICE TO THE CUSTOMERS OF
STEPP BRANCH GAS COMPANY**

Stepp Branch Gas Company has petitioned the Public Service Commission of Kentucky (PSC) to cease operations as a natural gas distribution company on or before August 1, 2002. This petition requires PSC approval before Stepp Branch Gas Company may abandon its operations and cease serving customers.

In this proceeding the PSC may find that Stepp Branch Gas Company cannot provide adequate utility service and may approve the petition of Stepp Branch Gas Company to cease providing natural gas service to its customers. In that circumstance, Stepp Branch customers must secure a replacement source of natural gas or heating.

The PSC will hold a public hearing in this matter on July 11, 2002 beginning at 9:00 a.m., Eastern Daylight Time, in the PSC's offices at 211 Sower Boulevard, Frankfort, Kentucky. Members of the public will be permitted to make comments as to the possible termination of Stepp Branch's service.

Any corporation, association, or person with a substantial interest in the matter who wishes to become a party to a proceeding before the PSC may, by timely motion, request that he be granted leave to intervene. Such motion shall include his name and address, the name and address of any party he represents, and the capacity in which he is employed by such party. Requests for intervention should be sent to: Executive Director, Public Service Commission of Kentucky, Post Office Box 615, Frankfort, Kentucky 40602-0615.