COMMONWEALTH OF KENTUCKY

BEFORE THE PUBLIC SERVICE COMMISSION

In the Matter of:

THE FILING BY KENERGY CORP.)	
FOR APPROVAL OF A FRANCHISE BILLING)	CASE NO.
PLAN AND FOR PERMISSION TO DEVIATE)	2002-00402
FROM THE PUBLIC NOTICE REQUIREMENTS)	
OF 807 KAR 5:011	ĺ	

ORDER

On October 2, 2002, the Commission received a tariff filing from Kenergy Corp. (Kenergy) proposing a Franchise Billing Plan and revisions to its tariff to make local government franchise payments determined in accordance with its proposed Franchise Billing Plan applicable to certain customers effective December 20, 2002. Kenergy recently entered into a franchise agreement with the city of Owensboro that includes a franchise fee of 1 percent of gross revenues. Kenergy provided the Commission with a copy of the public notice that it caused to be published in the Owensboro newspaper and the affidavit of publication. Kenergy states that notice was published on November 7, 2002 and November 14, 2002. Kenergy requests that the Commission grant it approval to deviate from the requirements of 807 KAR 5:011, Section 8(2)(c) that require that notice be published three times with the first publication prior to the application.

The Commission, having considered the filing and being otherwise sufficiently advised, finds that further proceedings are necessary to determine the reasonableness of the tariff proposal and that such proceedings cannot be completed prior to the proposed effective date. The Commission further finds that, because of the nature of

the franchise charge, the cost of publication, and the fact that the customers were given 30 days notice, good cause exists to grant Kenergy the deviation requested.

IT IS THEREFORE ORDERED that:

- 1. Kenergy's tariff proposal is hereby suspended for 5 months from December 20, 2002, up to and including May 19, 2003.
- 2. Nothing in this Order shall prevent the Commission from entering a final decision in this case prior to the termination of the suspension period.
- 3. Kenergy is granted a deviation from the publication requirements of 807 KAR 5:011, Section 8(2)(c).

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

By the Commission

ATTEST:

Executive Director