

PAUL R. GEARHEART
PRESIDENT

PAUL D. GEARHEART
VICE PRESIDENT

RECEIVED

AUG 05 2009

PUBLIC SERVICE
COMMISSION

August 4, 2009

Jeff Derouen, Executive Director
Public Service Commission of the Commonwealth of Kentucky
211 Sower Boulevard
Frankfort, KY 40602-0615

RE: Administrative Case No. 360
Lifeline Audits by August 15, 2009
Order dated May 24, 2007

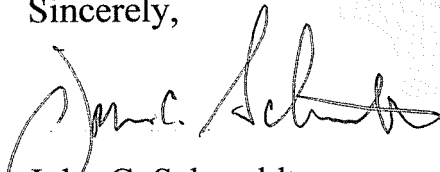
In June of 2009, we audited 100% of our Lifeline Customers to determine continued eligibility. The results are as follows:

<u>Number</u>	<u>%</u>	<u>Responses</u>
970	89.98	YES with proper documentation
-0-		NO
<u>108</u>	<u>10.02</u>	HAVE NOT RESPONDED
1,078	100.00	

We will give non responders until August 15, 2009, before we make them not eligible.

If you have any questions, please call James Campbell at 606-479-6254 or jcamp@mis.net or myself at 606-479-6242 or Schmoldt@mis.net.

Sincerely,


John C. Schmoldt
Director of Operations

\\dc1v\Users\ntackett\My Documents\FILES\COALFIELDS\PSC-36A1 (Jeff Deroven Lifeline Audits Case 360)JC.doc