

DORSEY, KING, GRAY, NORMENT & HOPGOOD

ATTORNEYS-AT-LAW

318 SECOND STREET

HENDERSON, KENTUCKY 42420

October 31, 2008

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JOHN DORSEY (1920-1986)  
FRANK N. KING, JR.  
STEPHEN D. GRAY  
WILLIAM B. NORMENT, JR.  
J. CHRISTOPHER HOPGOOD  
S. MADISON GRAY

RECEIVED

NOV 3 2008

PUBLIC SERVICE  
COMMISSION

Ms. Stephanie Stumbo  
Kentucky Public Service Commission  
Post Office Box 615  
Frankfort, KY 40602

Re: Case No. 2008-00323

Dear Ms. Stumbo:

A member of Kenergy Corp., Frances Tichenor, sent a letter dated September 19, 2008, to the Commission and by your letter to Ms. Tichenor dated October 13, 2008, you informed her that her letter was being treated as an official protest and placed in the case file of the above proceeding, and that the Commission would take her concerns into consideration in its review and decision in this matter.

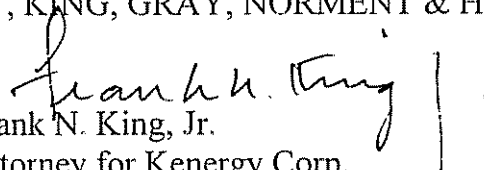
We wish to inform you and the Commission that Kenergy officials have been in contact with Ms. Tichenor and are addressing her concerns. Enclosed please find a copy of Kenergy's October 29, 2008, letter to Ms. Tichenor that we request also be filed in this case and be taken into consideration by the Commission in its review and decision in this matter.

Your assistance is appreciated.

Very truly yours,

DORSEY, KING, GRAY, NORMENT & HOPGOOD

By

  
Frank N. King, Jr.  
Attorney for Kenergy Corp.

FNKJr/cds

COPY/w/encls:

Attorney General of Kentucky, Office of Rate Intervention  
Hon. Michael J. Kurtz, Attorney for Kentucky Industrial  
Utility Customers  
Kenergy Corp.



P.O. Box 1389 • 3111 Fairview Drive  
 Owensboro, Kentucky 42302-1389  
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October 29, 2008

Frances Tichenor  
 255 Stinson Loop  
 Hartford, KY 42347

Dear Mrs. Tichenor:

As I committed to do during our telephone conversation on October 14<sup>th</sup>, I have reviewed the outage history for your account and made a site visit to the facilities serving your home.

I would first like to address the extended outage you experienced as a result of the remnants of Hurricane Ike that passed through the Kenergy service area on September 14<sup>th</sup> with winds approaching 80 miles per hour. Your outage resulted from a large tree, approximately 50 feet from the line, falling on the single phase line that serves you and seven other customers, breaking a pole.

Some of your neighbors are served from a different line and their power was restored when the main three-phase line came on. Kenergy's outage restoration process concentrates on the substations first, then three-phase feeders, then single phase taps, and finally individual customer services. This process enables the largest number of customers affected to be restored first.

Excluding the September 14, 2008 and August 10, 2006 major wind storms, your outage history is summarized as follows:

	<u>No. Occurrences</u>	<u>Cause</u>	<u>Length of Outage</u>
	4	Power Supply	4 hours, 28 minutes
	3	Animals	4 hours, 46 minutes
	2	Right-of-Way	3 hours, 10 minutes
	4	Equipment Failure	2 hours, 50 minutes
	1	Unknown	1 hour, 24 minutes
Total	14		16 hours, 38 minutes
4 Yr. Avg.	3.5		4 hours, 10 minutes

Kenergy has no direct control over the power supply and animal outages, which account for approximately one-half of your outage time, excluding major storms. However, after reviewing this outage summary and discussing same with Operations Department staff, Kenergy will commit to the following action items:

1. Evaluate the possibility of providing your home an alternate source from the single phase line.
2. Have a maintenance crew make minor corrections to the first span from the fused takeoff serving your home.
3. Tree trimming in two locations.
4. Evaluate the replacement of some of the copper conductor on the perimeter of the area.

Please note that I have been advised that a Kenergy crew completed some of this work on October 21<sup>st</sup>, which is why your power was off when you called me.

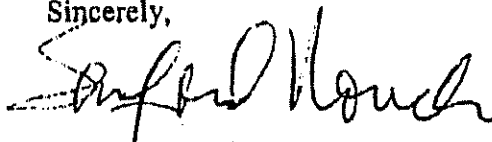
I believe these actions will result in fewer outages resulting from equipment failure or right-of-way in the future. Additionally, if we are able to provide the alternate feed under evaluation, that will provide us a possible way to restore your power sooner after major storms.

I would also like to mention that Kenergy has enacted a plan to trim all of its right-of-way on a six-year cycle and had actually cleared your area during May, 2008. Additionally, Kenergy has an ongoing pole inspection treatment and replacement program with 860 poles budgeted to be replaced during 2008.

Finally, I would like to respond to your statements regarding Kenergy's rate increase proposal. The reasons for the proposal are well documented in the application, which is available for your review at any of the six service centers, including the Hartford office. Kenergy has consistently scored above-average on customer satisfaction surveys and overall reliability measures are well within industry standards.

I apologize for all of the inconveniences you have experienced. I agree that the reliability of our service to you can be better, and we will work toward achieving that end. Kenergy will do all that it can to change your attitude about us. You have my telephone number. Please call me anytime you have questions or problems.

Sincerely,



Sanford Novick  
President and CEO