

COMMONWEALTH OF KENTUCKY
BEFORE THE PUBLIC SERVICE COMMISSION

In the Matter of:

TARIFF FILING OF KENERGY CORP.)
FOR ACCEPTANCE AND EXPEDITED)
IMPLEMENTATION OF AN AGREEMENT)
FOR ELECTRIC SERVICE) CASE NO. 2008-00541

O R D E R

Kenergy Corp. ("Kenergy") is an electric distribution cooperative organized under KRS Chapter 279. On December 12, 2008, Kenergy filed a retail electric contract entered between Kenergy and Armstrong Coal Company, Inc. ("Armstrong Coal").¹ The details of the agreement for electric service are as follows:

1. Kenergy agrees to sell and deliver to Armstrong Coal, and Armstrong Coal agrees to purchase, electric power and energy up to 2 MW under Kenergy's rate schedule 31, subject to certain terms and conditions, with the potential to increase the maximum demand to 4 MW.

2. Kenergy agrees to use reasonable diligence to provide a constant and uninterrupted supply of electric power and energy to Armstrong Coal.

3. The terms of the contract shall remain in effect for 10 years following the
start of the initial billing period.

Pursuant to KRS 278.180(1), Kenergy must give the Commission 30 days' notice prior to implementing this retail rate contract. Kenergy has requested that the notice

¹ Also attached to the filing was a Letter Agreement between Kenergy and Big Rivers Electric Corporation which covered the wholesale side of the transaction.

period be reduced, as permitted by the statute. Since the only retail customer affected by this contract has consented in writing to all of the contract terms, the Commission finds good cause to reduce the notice period to 20 days. Consequently, the retail service contract will become effective on January 1, 2009.

IT IS THEREFORE ORDERED that the retail rate contract between Kenergy and Armstrong Coal, as described in the findings above, is accepted for service effective January 1, 2009.

Done at Frankfort, Kentucky, this 22nd day of December, 2008.

By the Commission

ATTEST:


Executive Director

Honorable Frank N King, Jr.
Attorney at Law
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