

COMMONWEALTH OF KENTUCKY
BEFORE THE PUBLIC SERVICE COMMISSION

In the Matter of:

| | | |
|-------------------------------------|---|------------|
| TARIFF FILING OF KENERGY CORP. TO |) | CASE NO. |
| AMEND RETAIL SERVICE AGREEMENT WITH |) | 2010-00329 |
| ARMSTRONG COAL COMPANY, INC. |) | |

O R D E R

Kenergy Corp. (“Kenergy”) is an electric distribution cooperative organized under the provisions of KRS Chapter 279. On August 11, 2010, Kenergy filed an amendment to a retail electric contract entered between Kenergy and Armstrong Coal Company, Inc. (“Armstrong Coal”).¹ The amendment reflects an increase in the maximum demand to Armstrong Coal beginning September 1, 2010, and a change in the provision addressing transmission delivery costs. Under the current contract, Armstrong Coal’s maximum demand is limited to 4,000 kW. Pursuant to the amendment, Armstrong Coal’s maximum demand would increase to 4,600 kW from September 1, 2010 through September 30, 2010; 5,200 kW from October 1, 2010 through April 30, 2011; 7,200 kW from May 1, 2011 through December 31, 2011; and 9,200 kW on and after January 1, 2012. Concerning the delivery of service, Kenergy would be obligated under the amendment to provide Armstrong Coal with a reasonable opportunity to select the term of transmission reservation request proposed by Kenergy or its wholesale power

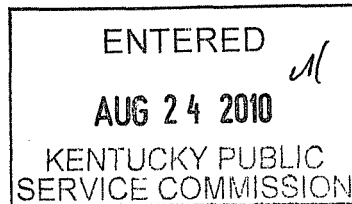
¹ The subject coal contract between Kenergy and Armstrong Coal had been approved by the Commission in Case No. 2008-00541, Tariff Filing of Kenergy Corp. for Acceptance and Expedited Implementation of an Agreement for Electric Service (Ky. PSC, December 22, 2008).

supplier for purposes of delivery of electric service to Armstrong Coal prior to making the transmission reservation request.

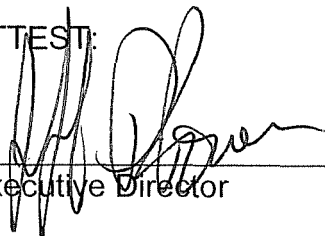
Pursuant to KRS 278.180(1), Kenergy must give the Commission 30 days' notice prior to implementing the amendment to the retail rate contract between it and Armstrong Coal. Kenergy has requested that the notice period be reduced, as permitted by the statute. Since the only retail customer affected by this contract has consented in writing to all of the amendments to the contract terms, the Commission finds good cause to reduce the notice period to 20 days. Consequently, the amendment to the retail service contract will become effective on September 1, 2010.

IT IS THEREFORE ORDERED that the amendment to the retail service contract between Kenergy and Armstrong Coal, as described in the findings above, is accepted for service effective September 1, 2010.

By the Commission



ATTEST:



Executive Director

Honorable Frank N King, Jr.
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