

COMMONWEALTH OF KENTUCKY
BEFORE THE PUBLIC SERVICE COMMISSION

In the Matter of:

NOTICE OF ADJUSTMENT OF THE)
RATES OF KENTUCKY-AMERICAN) CASE NO. 9482
WATER COMPANY EFFECTIVE ON)
AND AFTER FEBRUARY 7, 1986)

O R D E R

Based on the prefiled testimony and the responses to data requests, the Commission has determined that the following items are issues under review in this case:

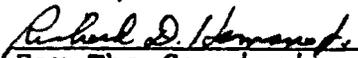
1. Committed Construction in Rate Base.
2. Versailles Project.
3. Service Company Expenses.
4. Rate Case Expenses.
5. 24" Reinforcing Main placed in service in July, 1985.
6. Operations and Maintenance Expenses.
7. Rate Design.
8. Demand Projections.
9. Reserve Capacity.
10. Least-Cost Planning Study.
11. 1985 Comprehensive Plan - including but not limited to:
Statistical Reliability of University of Louisville Urban Studies
Center Population Projections.
12. The Appropriate Capital Structure.

13. The Appropriate Cost of Preferred Stock.

14. The Appropriate Rate of Return on Common Equity.

Done at Frankfort, Kentucky this 2nd day of May, 1986.

PUBLIC SERVICE COMMISSION


For The Commission

ATTEST:

Secretary