

COMMONWEALTH OF KENTUCKY
BEFORE THE PUBLIC SERVICE COMMISSION

In the Matter of

KENTUCKY-AMERICAN WATER,)
SELECTION AND WORK OF)
CONSULTANT) CASE NO. 8314

ORDER

The Kentucky Public Service Commission ("Commission") having determined that it is appropriate to retain an independent consultant or contractor ("Consultant") to review and evaluate the decision of Kentucky-American Water Company ("Kentucky-American") to expand its aggregate treatment capacity by 25 percent (Commission order dated February 8, 1982, at page 18), and

The Commission having invited, received and reviewed proposals from consultants, and

The Commission having determined that the proposal which the Commission believes will most nearly fit the Commission's needs is the proposal dated May 26, 1982, submitted by Energy Systems Research Group, Inc., 120 Milk Street, Boston, Massachusetts 02109, and

The Commission having been advised that Energy Systems Research Group ("ESRG") is agreeable to a minor modification to its proposal as deemed necessary by the Commission,

IT IS HEREBY ORDERED that ESRG shall be authorized in writing to conduct the review and evaluation referred to above. The

review and evaluation shall be in accordance with the Commission's request for proposals and ESRG's May 21, 1982, written proposal to the Commission and shall, in addition, include an interim report to be submitted to the Commission on or near the mid-point of ESRG's work. ESRG shall furnish its review, evaluation and reports to the Commission.

IT IS FURTHER ORDERED that Kentucky-American shall make available to ESRG all records and information reasonably needed by ESRG in the conduct of this review and evaluation.

IT IS FURTHER ORDERED that, when the Commission has received a final report from ESRG satisfactory to the Commission and when thereafter the Commission has so ordered, Kentucky-American Water Company shall pay to ESRG an amount not to exceed \$22,940, which shall be the maximum total payment including all fees, costs and expenses for ESRG's services to the Commission as described herein.

Done at Frankfort, Kentucky, this 25th day of June, 1982.

PUBLIC SERVICE COMMISSION

Marlin M. Vohy
For the Commission

ATTEST:

Secretary