COMMONWEALTH OF KENTUCKY

BEFORE THE PUBLIC SERVICE COMMISSION

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In the Matter of:

RATE ADJUSTMENT OF KENTON) CASE NO. 8572 COUNTY WATER DISTRICT)

ORDER

At the rehearing on June 16, 1983, Mr. James Sparrow, CPA, witness for Kenton County Water District ("Kenton County"), was asked whether the interest expense on customer deposits was treated as an expense for the test year. (Transcript of Evidence, June 16, 1983, pages 51 - 52.) Mr. Sparrow stated that he would have to check Kenton County's records. This information has not been provided.

The Commission, having considered the matter and being advised, finds that Kenton County should be allowed to provide a response to the above question. The response should clearly state (with reference to the appropriate exhibit) the accounting treatment as well as the amount, if any, of interest expense on customer deposits for the test year. The response should be filed within 7 days of the date of this Order.

IT IS THEREFORE ORDERED that Kenton County shall be allowed to respond to the question concerning interest expense on customer deposits in accordance with the above finding.

Done at Frankfort, Kentucky, this 17th day of August, 1983.

PUBLIC SERVICE COMMISSION

Chatrian Sandall
Vice Chairman

ATTEST:

Secretary