COMMONWEALTH OF KENTUCKY BEFORE THE PUBLIC SERVICE COMMISSION

In the Matter of:

KENTUCKY PUBLIC SERVICE COMMISSION

CALVERT INVESTMENTS, INC.

CASE NO. 8828

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ORDER

On July 7, 1983, the Commission ordered Calvert Investments, Inc., ("Calvert") to show cause why its rates should not be reduced to the level found reasonable in its recent rate case, Case No. 8761, The Application Of Calvert Investments, Inc., For An Adjustment Of Rates Pursuant To The Alternative Procedure For Small Utilities. A public hearing was scheduled for August 9, 1983, and then rescheduled to August 29, 1983.

On July 27, 1983, Calvert filed a motion to dismiss Case No. 8828 based on two arguments. The first argument is that the pendency of Case No. 8828 denies Calvert an opportunity under KRS 278.400 and 278.410 for a rehearing and judicial review of Case No. 8761. Calvert's second argument is that the Commission lacks jurisdiction to proceed in Case No. 8828 prior to the conclusion of all available judicial appeals of Case No. 8761.

On August 3, 1983, Calvert filed a second motion to dismiss which adopted the arguments of its July 27, 1983, motion and requested a rescheduling of the August 29, 1983, hearing. On August 8, 1983, the Attorney General's Office ("A.G.") filed a response to Calvert's motion. The A.G. argues that the Commission has jurisdiction to proceed with Case No. 8828 and that Calvert's motion to dismiss should be denied.

On July 7, 1983, the Commission issued an Order in Case No. 8761 denying any rate adjustment based on a finding that Calvert's test period operating revenues of \$65,174 exceeded its annual revenue requirements of \$50,578. Calvert filed an application for rehearing and on August 16, 1983, the Commission granted a partial rehearing and modified the July 7, 1983, Order by increasing Calvert's annual revenue requirements by \$3,530 to \$54,674. The Order of August 16, 1983, in Case No. 8761 is a final Order for purposes of judicial review and pursuant to KRS 278.390 it continues in force until suspended or vacated by judicial decree.

Based on Calvert's motions to dismiss, the A.G.'s response in opposition to dismissal and the evidence of record, the Commission is of the opinion and hereby finds that:

1. All proceedings before the Commission with respect to Calvert's rate Case No. 8761 were terminated on August 16, 1983, when the Commission issued its final Order on rehearing.

2. Proceeding with Calvert's show cause Case No. 8828 will not infringe on Calvert's right to seek judicial review of Case No. 8761.

3. The Commission's Order of July 7, 1983, initiating Case No. 8828, should be modified to delete the ordering paragraph

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regarding consolidation with Case No. 8761 and further modified to reflect Calvert's revenue requirements of \$54,674 found reasonable in the Commission's Order of August 16, 1983, in Case No. 8761.

4. The Commission's record in Case No. 8761 should be incorporated by reference into the record in Case No. 8828.

5. The hearing scheduled on August 29, 1983, should be rescheduled due to the unavailability of Calvert's counsel.

IT IS THEREFORE ORDERED that Calvert's motions to dismiss be and they hereby are denied.

IT IS FURTHER ORDERED that the Commission's Order entered July 7, 1983, be and it hereby is modified in accordance with Finding No. 3.

IT IS FURTHER ORDERED that the record in Case No. 8761 be and it hereby is incorporated by reference.

IT IS FURTHER ORDERED that the public hearing scheduled on August 29, 1983, be and it hereby is rescheduled to September 19, 1983, at 10 A.M., Eastern Daylight Time, in the Commission's offices in Frankfort, Kentucky.

IT IS FURTHER ORDERED that Calvert shall give notice of the hearing as is required by KRS 424.300 and, in the event notice is given by newspaper publication, the notice shall be published in a newspaper of general circulation in its service area one time not less than 7 nor more than 21 days prior to the hearing giving

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the purpose, time, place and date of the hearing.

Done at Frankfort, Kentucky, this 29th day of August, 1983.

PUBLIC SERVICE COMMISSION

Chairman

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Commissioner

ATTEST:

Secretary