

COMMONWEALTH OF KENTUCKY
BEFORE THE PUBLIC SERVICE COMMISSION

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In the Matter of:

ADJUSTMENT OF RATES OF THE)
SOUTHERN MADISON WATER DISTRICT) CASE NO. 8922

O R D E R

On October 26, 1983, the Southern Madison Water District ("Southern Madison") filed an application with this Commission requesting authority to adjust its rates pursuant to 807 KAR 5:001. Included in this application was information relating to proposed improvements and extensions to the system, as well as information regarding the financing of said improvements. On November 11, 1983, the Commission entered an Order requesting additional information concerning the proposed rate increase. In addition, by correspondence dated November 17, 1983, the Commission notified Southern Madison that an amended application would be necessary to seek approval of a certificate of public convenience and necessity granting authority to construct the proposed extensions and improvements.

On November 30, 1983, Southern Madison filed a motion with the Commission seeking an extension of time in which to file the information requested by the November 11, 1983, Order, which motion was granted. Subsequently, on December 15, 1983, Southern Madison filed a motion requesting that the Commission place the rate adjustment application in abeyance, citing its inability to

timely comply with the Commission's request for information, as well as the necessity to amend its rate request due to loan negotiations with the Farmer's Home Administration ("FmHA") regarding the financing of the proposed extensions and improvements. Based upon the uncertainties surrounding Southern Madison's loan application with FmHA and the proposed rate structure, the Commission, by its Order dated January 12, 1984, dismissed this case without prejudice.

On August 13, 1984, Southern Madison filed a motion requesting that the Commission redocket the rate adjustment application as filed on October 26, 1983. In consideration of this motion, the Commission notes that the financial information as originally filed was based upon the test period ended July 31, 1983, and, as such, is currently outdated by more than 1 year. Therefore, in view of the necessity of obtaining timely information upon which to base an informed decision in this proceeding, the Commission is of the opinion that Southern Madison should refile its application for a certificate of public convenience and necessity and its application or notice for authority to adjust its rates pursuant to Sections 8 and 9 of 807 KAR 5:001.

IT IS THEREFORE ORDERED that the motion filed by Southern Madison on August 13, 1984, to redocket its October 26, 1983, rate adjustment application be and it hereby is denied.

Done at Frankfort, Kentucky, this 21st day of September, 1984.

PUBLIC SERVICE COMMISSION

Richard D. Hemmings
Chairman

James C. K... ..
Vice Chairman

Paul... ..
Commissioner

ATTEST:

Secretary