COMMONWEALTH OF KENTUCKY

BEFORE THE PUBLIC SERVICE COMMISSION

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In the Matter of:

THE APPLICATION OF ENVIRO

UTILITIES, INC., FOR AN AD—

JUSTMENT OF RATES PURSUANT TO

THE ALTERNATIVE RATE FILING

PROCEDURE FOR SMALL UTILITIES

)

ORDER

April 17. 1985, Enviro Utilities, On Inc., Candlelight Sewer System, ("Enviro") filed a response to the Commission's Order of March 13, 1985, which ordered the filing of testimony on the issues to be addressed in the rehearing. response of Enviro contained the "Submission of Proposed Witnesses to provide testimony on behalf of Enviro" and an "Outline of Proposed Testimony and/or evidence from each witness." The response of March 13 contained no prepared direct testimony as was anticipated by the Commission's April 17, 1985, Order. Therefore, the Commission is of the opinion that the hearing scheduled for May 15, 1985, at 9:00 a.m. should be rescheduled and Enviro should be given additional time to respond with prepared direct testimony as the Commission originally ordered.

As a part of the filing of April 17, 1985, Enviro indicated in Section I(4) that it would be calling Mr. Gary Forman, a member of the Commission's staff, to testify on the method used by the Commission to determine interest expense and the Metropolitan

Sewer District's Pond Creek acquisition program. The Commission is of the opinion that it is not appropriate to require its staff to testify in this instance since the decision rendered in the Order of January 31, 1985, on interest expense was a decision of the Commission and not its staff. No direct testimony was offered in this proceeding by the Commission's staff and, therefore, the calling of a staff member to testify on an issue addressed in the Commission's final Order is inappropriate and will not be necessary.

IT IS THEREFORE ORDERED that the hearing scheduled for May 15, 1985, at 9:00 a.m., Eastern Daylight Time, is hereby rescheduled to the 5th day of June, 1985, at 9:00 a.m., Eastern Daylight Time, in the Commission's offices, Frankfort, Kentucky.

IT IS FURTHER ORDERED that Enviro shall file no later than May 20, 1985, its prepared direct testimony including any exhibits it proposes to introduce on the issues contained in the Order granting rehearing.

IT IS FURTHER ORDERED that Enviro shall give notice of the hearing in accordance with the provisions of 807 KAR 5:011, Section 8.

Done at Frankfort, Kentucky, this 13th day of May, 1985.

PUBLIC SERVICE COMMISSION

Chairman

Vice Chairman

Commissioner

ATTEST: