

COMMONWEALTH OF KENTUCKY
BEFORE THE PUBLIC SERVICE COMMISSION

In the Matter of:

INVESTIGATION INTO THE CUSTOMER DEPOSIT) CASE NO.
POLICY OF KENTUCKY POWER COMPANY) 89-057

O R D E R

Kentucky Power Company ("Kentucky Power") filed a motion for leave to offer the testimony of Mr. Coulter R. Boyle, III and Mr. Donald Thornsbery at the hearing to be held in this matter on April 18, 1989. The Order opening this case states that the purpose of this hearing is to "present oral argument and any legal authority it (Kentucky Power) may have, to show cause, if it can, why it is not in violation of KRS 278.460" While witness testimony is not necessary, since this proceeding is strictly a matter requiring legal argument, the Commission will allow Kentucky Power to present its two witnesses at the hearing.

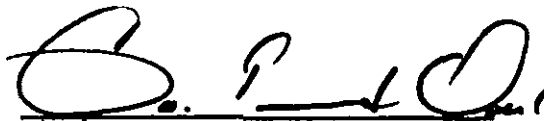
Kentucky Power's above-mentioned motion also requested the right to cross-examine a member of the Commission Staff "to determine the basis for the Commission's January 31, 1989 letter as well as the informal proceedings that led to the initiation of this case." The Commission is of the opinion that this request is inappropriate and should be denied. The Commission is of the opinion that the requested cross-examination would be an unjustified intrusion into its decision-making process. Additionally, the Commission Staff is an arm of this Commission


charged with the responsibility of advising and assisting the Commission in technical and legal matters. Under the Commission's existing structure and limited resources, the Commission Staff cannot be totally independent of the decision-making process.

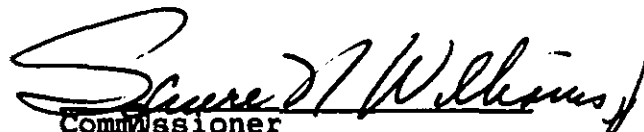
On the basis of the foregoing findings and conclusions, IT IS HEREBY ORDERED that Kentucky Power's request to offer the testimony of the above-mentioned persons at the scheduled hearing is hereby granted. Furthermore, Kentucky Power's request to cross-examine a member of the Commission Staff is hereby denied.

Done at Frankfort, Kentucky, this 18th day of April, 1989.

PUBLIC SERVICE COMMISSION


Chairman


Vice Chairman


Commissioner

ATTEST:

Executive Director