

COMMONWEALTH OF KENTUCKY
BEFORE THE PUBLIC SERVICE COMMISSION

In the Matter of:

AN INVESTIGATION OF THE SOURCES OF SUPPLY)
AND FUTURE DEMAND OF KENTUCKY-AMERICAN) CASE NO. 93-434
WATER COMPANY)

O R D E R

On March 9, 1994, Kentucky-American Water Company ("Kentucky-American") filed objections to the following requests for information propounded by the Sierra Club and Chetan Talwalkar ("Talwalkar"): Sierra Club Item Nos. 6 and 9; and Talwalkar Item Nos. 2-9, 10a, b, c, e, 18, 21, 27, 31, 35 and 37. The requested information relates generally to the need for and operation of a future pipeline to purchase potable water from the Louisville Water Company. Kentucky-American argues that this issue is beyond the scope of this investigation which, in its assessment, is limited to a review of its existing sources of supply and demand forecasts. In the event its objections are contested, Kentucky-American requests a hearing.

Talwalkar responded by moving the Commission to compel Kentucky-American to file the requested information on the grounds that this potential future source of supply lies at the heart of this investigation. He notes that the pipeline to Louisville was the basis for the request to initiate this case and is characterized in Kentucky-American's direct testimony as necessary to meet its projected supply deficiency. The Sierra Club and the

Attorney General's Office, Utility and Rate Intervention Division ("AG"), also filed motions to compel on similar grounds.

In addition, the AG filed a motion to amend the procedural schedule due to his recent hiring of a consultant to submit testimony on the ratepayers' behalf. Kentucky-American responded by stating numerous reasons why the AG's motion lacked merit, but concluded that if the procedural schedule is modified every effort should be made to process this case in an expeditious manner.

Based on the objections and the motions to compel, the Commission hereby finds that a hearing is unnecessary since our March 25, 1994 Order expressly stated that this investigation was not limited to Kentucky-American's current sources of supply but included the feasibility of alternative sources of supply such as the pipeline to Louisville. Consequently, the information requested by the Sierra Club and Talwalkar appears to be reasonably calculated to lead to the discovery of relevant evidence and should be produced. To the extent that any of the responses are voluminous, Kentucky-American need only file two copies with the Commission. The Commission further finds that the procedural schedule should be modified in accord with the AG's request.


IT IS THEREFORE ORDERED that:

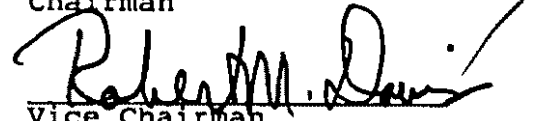
1. Kentucky-American's objections to the information requests enumerated above be and they hereby are overruled and the motions to compel are granted.


2. The procedural schedule established by Order dated January 26, 1994 be and it hereby is modified as set forth in Appendix A.

Done at Frankfort, Kentucky, this 14th day of April, 1994.

PUBLIC SERVICE COMMISSION


Chairman


Vice Chairman


Commissioner

ATTEST:


Executive Director

APPENDIX A

APPENDIX TO AN ORDER OF THE KENTUCKY PUBLIC SERVICE
COMMISSION IN CASE NO. 93-434 DATED APRIL 14, 1994.

Kentucky-American shall mail or deliver responses to
supplemental requests for information
no later than.....04/15/94

Kentucky-American shall mail or deliver responses to
requests for information from the Sierra Club, Item
Nos. 6 and 9, and Talwalkar Item Nos. 2-9, 10a, b, c,
e, 18, 21, 27, 31, 35, and 37 no later than.....04/22/94

All supplemental requests for information within the
scope of the initial requests from the Sierra Club and
Talwalkar enumerated above shall be due no later than.....05/06/94

Kentucky-American shall mail or deliver responses to
the supplemental requests for information enumerated
above no later than.....05/20/94

Intervenor testimony, if any, shall be filed in
verified prepared form no later than.....06/30/94

All requests for information to Intervenors shall
be due no later than.....07/18/94

Intervenors shall mail or deliver responses to
requests for information no later than.....08/01/94

Rebuttal testimony, if any, shall be due no later than.....08/15/94

Public Hearing is to begin at 9:00 a.m., Eastern
Daylight Time, in Hearing Room 1 of the Commission's
offices at 730 Schenkel Lane, Frankfort, Kentucky,
for the purpose of cross-examination of witnesses
of Kentucky-American and witnesses of the
Intervenors.....08/31/94