

COMMONWEALTH OF KENTUCKY
BEFORE THE PUBLIC SERVICE COMMISSION

In the Matter of:

PROPOSED ADJUSTMENT OF THE)
WHOLESALE WATER SERVICE RATES OF) CASE NO. 96-277
THE MUNICIPAL WATER SYSTEM OF THE)
CITY OF ASHLAND, KENTUCKY)

O R D E R

On May 6, 1996, the Municipal Water System of the City of Ashland, Kentucky ("Ashland") submitted proposed revisions to its existing rate for wholesale water service to the Cannonsburg Water District ("Cannonsburg"). Ashland proposed that its increased rate become effective on and after September 20, 1996. On May 21, 1996, Ashland was notified, by letter, that it was required to file a copy of its notice to Cannonsburg and to provide a proof of publication of its newspaper notice. On June 10, 1996, Ashland filed the requested information. On May 23, 1996, Cannonsburg filed a letter requesting that the Commission investigate the proposed rates. Cannonsburg states that its opposition to the increase is based on Ashland not increasing rates to their in-city customers.

Having considered the proposed rate revisions and being otherwise sufficiently advised, the Commission finds that, pursuant to KRS 278.190, further proceedings are necessary to determine the reasonableness of the proposed rate revision.

The Commission further finds that Cannonsburg has a special interest in this proceeding which is not otherwise adequately represented and that its intervention is

likely to present issues or to develop facts that assist the Commission in fully considering the matter without unduly complicating or disrupting this proceeding.

IT IS THEREFORE ORDERED that:

1. Ashland's proposed rate revision is suspended for five months from September 20, 1996 to February 19, 1997.

2. Within 30 days of the date of this Order, Ashland shall submit the information required by 807 KAR 5:001, Section 10. To the extent that Ashland considers any of the requirements of this regulation to be onerous or inapplicable, it may petition for a deviation from them.

3. Cannonsburg is hereby granted leave to intervene in this matter.

4. Any party filing testimony, exhibits, pleadings, correspondence or any other documents with the Commission shall serve a copy of such documents on all other parties of record.

Done at Frankfort, Kentucky, this 19th day of June, 1996.

PUBLIC SERVICE COMMISSION


For the Commission

ATTEST:


Executive Director