COMMONWEALTH OF KENTUCKY

BEFORE THE PUBLIC SERVICE COMMISSION

In the Matter of:

APPLICATION OF KENTUCKY-AMERICAN WATER COMPANY FOR A GENERAL ADJUSTMENT OF RATES

CASE NO. 97-034

<u>ORDER</u>

On February 16, 1997, Kentucky-American Water Company ("Kentucky-American") filed a letter, which the Commission will treat as a motion, requesting authority to give public notice of its proposed rates by a combination of the methods set forth in 807 KAR 5:001, Section 10(4). Specifically, Kentucky-American proposes to utilize newspaper publication pursuant to 807 KAR 5:001, Section 10(4)(c)3, to give notice to its customers in all counties except Jessamine County, Kentucky where its only two customers, both of whom are water utilities, will be sent direct mail notice pursuant to 807 KAR 5:001, Section 10(4)(c)1.

Based on the motion and being sufficiently advised, the Commission finds that direct mail notice is superior to and more economical than newspaper notice in this instance and should be authorized.

IT IS THEREFORE ORDERED that Kentucky-American's motion to use direct mail to give notice of its proposed rates to customers in Jessamine County, Kentucky is granted. Done at Frankfort, Kentucky, this 18th day of February, 1997.

PUBLIC SERVICE COMMISSION

Breathith <u>Chairman</u>

Vice Chairman B. Q. Helfon

ATTEST:

Executive Director