

COMMONWEALTH OF KENTUCKY
BEFORE THE PUBLIC SERVICE COMMISSION

In the Matter of:

AN INVESTIGATION INTO THE DESIGN AND USE) ADMINISTRATIVE
OF SYSTEM DEVELOPMENT CHARGES) CASE NO. 375

ORDER

Having reviewed the parties' responses to the Commission's Order of December 18, 1998 and the minutes of the informal conference of November 15, 1999, the Commission finds that certain legal issues are critical to the scope and direction of this case and must be addressed before further proceedings are conducted. We further find that all parties should have the opportunity to submit written memoranda on these issues.

IT IS HEREBY ORDERED that all parties shall have 45 days from the date of this Order to submit written memorandum on the issues set forth below:

- Under what authority, if any, may the Commission authorize a public utility to assess a system development charge ("SDC")?
- Under what authority, if any, may the Commission authorize a municipal utility to assess a SDC to a public utility where the contract between the two utilities makes no provision for such assessment and the public utility does not consent to such assessment?
- Under what authority, if any, may a municipal utility assess a SDC to a public utility based upon increases in customer growth and demand that occur outside the municipal utility's service area?

Done at Frankfort, Kentucky, this 19th day of January, 2000.

By the Commission

ATTEST:

Executive Director