

COMMONWEALTH OF KENTUCKY
BEFORE THE PUBLIC SERVICE COMMISSION

In the Matter of:

APPLICATION OF HILLRIDGE FACILITIES,)	
INC. FOR AN ADJUSTMENT OF RATES)	CASE NO.
PURSUANT TO THE ALTERNATIVE RATE)	2001-00062
FILING PROCEDURE FOR SMALL UTILITIES)	

O R D E R

On December 4, 2001, the Commission entered an Order and attached an Amended Staff Report after it discovered an error in the previous Staff Report concerning the double-recovery of amortization expense. That Order provided 10 days during which any party could file comments or request a hearing or informal conference. Only one intervenor requested a hearing or an informal conference. The utility did not respond within the allotted 10 days.

On December 21, 2001, we entered an Order containing a procedural schedule that affected the scheduling of a formal hearing. The hearing was subject to cancellation based upon the response of the intervenors, James L. and Carol Whitledge. The Commission had received copies of the correspondence between intervenors and the utility, and had received comments on the Staff Report. We found that all comments filed and correspondence received involved the question of quality of service provided by the utility and its effect upon the rate request. In our Order we stressed to all parties that questions concerning the rates proposed by the utility in a hearing must, by law, be financial in nature. We also stated that we intended to follow the law and to keep the issue of rates separate from the issue of service.

Consequently, we developed a procedural schedule requiring the intervenors to file on or before January 22, 2002 a witness list and a brief summary of their testimony; otherwise, the hearing set for January 31, 2002 would be cancelled and the matter submitted to the Commission on the existing record. On January 23, 2002, Don Ridge filed, on behalf of the utility, a letter requesting a continuance of the hearing for 60 days from January 31, 2002. We find that it is not necessary to rule upon this request because the matter of a formal hearing is now moot. The Order of December 21, 2001 required the filing of a witness list or the formal hearing would be cancelled. We find that no witness list or summary of testimony has been filed and that the hearing should be cancelled.

IT IS THEREFORE ORDERED that:

1. The formal hearing set for January 31, 2002 is cancelled.
2. This case now stands submitted to the Commission for a decision upon the record.

Done at Frankfort, Kentucky, this 25th day of January, 2002.

By the Commission

ATTEST:


Executive Director