COMMONWEALTH OF KENTUCKY

BEFORE THE PUBLIC SERVICE COMMISSION

In the Matter of:

THE DEVIATION OF U.S. 60 WATER DISTRICT)
FROM THE COMPANY'S REGULAR EXTENSION) CASE NO. 2001-357
POLICY - SHELBY FISCAL COURT FOR SERVICE)
TO DITTO ROAD)

ORDER

On September 18, 2001, U.S. 60 Water District of Shelby and Franklin Counties, Kentucky (U.S. 60 District) entered into an agreement with Shelby County Fiscal Court for the construction a water main extension along Ditto Road in Shelby County, Kentucky. The Agreement provided that in return for Shelby County Fiscal Court assuming the cost of the water main's construction, U.S. 60 District would assess a customer contribution of \$2,500 from each person who connected to the extension and remit this contribution to Shelby County Fiscal Court. Because the proposed contract set forth an arrangement that differed from the water main extension arrangements contained in U.S. 60 District's filed rate schedules and in Administrative Regulation 807 KAR 5:066, Section 11, the Commission initiated this proceeding to examine the reasonableness of the proposed arrangement.

Since our action, U.S. 60 District has advised the Commission that the Commonwealth of Kentucky has funded the cost of the water main extension and that Shelby County Fiscal Court no longer insists that persons connecting to the water main extension be required to pay a contribution of \$2,500. U.S. 60 District further states that any funds previously collected from persons connecting to the proposed water main

extension will be refunded. Shelby County Fiscal Court's action effectively terminates the proposed water main extension arrangement and renders this proceeding moot.

Accordingly, the Commission HEREBY ORDERS that this proceeding is closed and that this case is removed from the Commission's docket.

Done at Frankfort, Kentucky, this 13th day of May, 2002.

By the Commission

ATTEST:

Executive Director