COMMONWEALTH OF KENTUCKY

BEFORE THE PUBLIC SERVICE COMMISSION

In the Matter of:

APPLICATION OF EQUITABLE PRODUCTION)COMPANY TO INCREASE RATES PURSUANT)CASE NO.2005-00160SECTION 9)

<u>order</u>

On April 15, 2005, Equitable Production Company ("Equitable Production") filed an application to increase its rates to customers served under KRS 278.485.

In its application, Equitable Production indicated an effective date of June 14, 2005 for the proposed rates. The Commission finds, pursuant to KRS 278.190, further proceedings are necessary in order to determine the reasonableness of the proposed rates and that such proceedings cannot be completed prior to the proposed effective date.

As part of the application process, Equitable Production is required to give notice to the public of the proposed rate adjustment. Persons are advised that they may file written comments or written requests for intervention with the Commission. The Commission has received to date approximately 26 letters and a petition signed by 18 people protesting the rate increase as proposed by Equitable Production. The Commission has also received written requests for intervention from Randall Tracy and Tivis and Esther Newsom. The Commission finds that Randall Tracy and Tivis and Esther Newsom (collectively "the Intervenors") are likely to present issues and develop facts that will assist the Commission in fully considering the matter without unduly complicating or disrupting the proceedings, and should be granted intervention.

The Commission further finds that a procedural schedule for this matter should be established to allow all parties to participate in the proceeding, and the Commission expects that all parties will file all necessary documents timely as required by the procedural schedule.

The last day for any party to request a formal hearing shall be June 20, 2005. If a formal hearing is not requested by that date, this matter shall thereafter stand submitted to the Commission upon the existing record.

Any party requesting a formal hearing shall, in its written request, state the issues it believes necessary to be heard and a list of the witnesses it will present along with a brief summary of the witness testimony.

The Commission being otherwise sufficiently advised, IT IS HEREBY ORDERED that:

1. The proposed rates are hereby suspended for 5 months from June 14, 2005 up to and including November 13, 2005. Nothing shall prevent the Commission from issuing an Order prior to the end of the suspension period.

2. The motions of Randall Tracy and Tivis and Esther Newsom to intervene are granted.

3. Randall Tracy and Tivis and Esther Newsom shall be entitled to the full rights of a party and shall be served with the Commission's Orders and with filed testimony, exhibits, pleadings, correspondence, and all other documents submitted by parties after the date of this Order.

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4. The procedural schedule set forth in Appendix A to this Order shall be followed in this proceeding.

5. All interrogatories and requests for production of documents shall be appropriately indexed. Responses shall include the names of the individuals responsible for responding to the questions related to the information provided.

6. Service of any document or pleading shall be made in accordance with Administrative Regulation 807 KAR 5:001, Section 3(7), and Kentucky Civil Rule 5.02.

7. All documents that the Commission requires any party to file with the Commission shall also be served upon all parties of record at or before the time of filing.

8. Motions for extensions of time with respect to the schedule herein shall be made in writing and will be granted only upon a showing of good cause.

Done at Frankfort, Kentucky, this 3rd day of May, 2005.

By the Commission

ATTEST:

Executive Director

Case No. 2005-00160

APPENDIX A

AN APPENDIX TO AN ORDER OF THE KENTUCKY PUBLIC SERVICE COMMISSION IN CASE NO. 2005-00160 DATED May 3, 2005

The Intervenors and Commission Staff may serve interrogatories and requests for production of documents upon Equitable Production no later than	05/18/2005
Equitable Production shall file with the Commission and serve upon all parties of record responses to interrogatories and requests for production of documents no later than	05/27/2005
The Intervenors and Commission Staff may serve supplemental interrogatori and requests for production of documents upon Equitable Production no later than	
Equitable Production shall file with the Commission and serve upon all parties of record responses to supplemental interrogatories and require for production of documents no later than	
Parties may submit any written comments or any requests for a formal hearing no later than	06/20/2005