

COMMONWEALTH OF KENTUCKY
BEFORE THE PUBLIC SERVICE COMMISSION

In the Matter of:

THE JOINT APPLICATION OF)
NUON GLOBAL SOLUTIONS USA,)
BV, HYDRO STAR, LLC, UTILITIES,)
INC. AND WATER SERVICE)
CORPORATION OF KENTUCKY) CASE NO. 2005-00323
FOR APPROVAL OF AN INDIRECT)
CHANGE IN CONTROL OF A)
CERTAIN KENTUCKY UTILITY)
PURSUANT TO THE PROVISIONS)
OF KRS 278.020(5) AND (6) AND)
807 KAR 5:001, SECTION 8)

ORDER

On August 2, 2005, Nuon Global Solutions USA B.V., Hydro Star, LLC, Utilities, Inc., and its Kentucky utility subsidiary, Water Service Corporation of Kentucky (“Water Service”) applied, pursuant to KRS 278.020(5) and (6), for approval of the transfer and acquisition of control of Water Service. Pursuant to KRS 278.020(6), the Commission has 60 days in which to consider an application for approval of the transfer and acquisition of control, unless it is necessary, upon a finding of good cause, to continue the application for an additional 60 days. Based on our preliminary review of the application, the Commission finds that the complex nature of the proposed transaction will require extensive review and that such review cannot be completed within 60 days. Good cause therefore exists to extend the statutory review period from 60 to 120 days. The Commission further finds that a procedural schedule should be established to review and investigate the merits of the pending application and that the parties should

file prepared direct testimony on, but not limited to, the proposed transaction, the post-transaction corporate structure, and the impact the transaction will have on the operations of Water Service.

IT IS THEREFORE ORDERED that:

1. The 60-day time limit for review of the pending application shall be extended for an additional 60 days, pursuant to KRS 278.020(6).

2. The procedural schedule set forth in Appendix A, which is attached hereto and incorporated herein, shall be followed.

3. All requests for information and responses thereto shall be appropriately indexed and 10 copies shall be filed with the Commission, with copies to all parties of record. Any request for information from the Commission Staff shall be responded to as if set forth in a Commission Order. All responses shall include the name of the witness who will be responsible for responding to questions at any hearing in this proceeding related to the information provided.

4. Any party filing testimony shall file an original and 10 copies.

5. Applicants shall give notice of the hearing in accordance with the provisions set out in 807 KAR 5:011, Section 8(5). At the time publication is requested, Applicants shall forward a duplicate of the notice and request to the Commission.

6. At any public hearing in this matter, neither opening statements nor summarization of direct testimonies shall be permitted.

7. Nothing contained herein shall prevent the Commission from entering further Orders in this matter.

Done at Frankfort, Kentucky, this 17th day of August, 2005.

By the Commission

ATTEST:



Executive Director

APPENDIX A

APPENDIX TO AN ORDER OF THE KENTUCKY PUBLIC SERVICE
COMMISSION IN CASE NO. 2005-00323 DATED August 17, 2005

All initial requests for information to
Applicants shall be filed no later than 08/26/2005

Applicants shall file responses to initial
requests for information no later than 09/09/2005

All supplemental requests for information
to applicants shall be filed no later than 09/19/2005

Applicants shall file responses to
supplemental requests for information
no later than 09/27/2005

Intervenors' testimony, if any, shall be filed in
verified prepared form no later than 10/10/2005

Last day for Applicants to publish notice of hearing date(to be scheduled)

Public Hearing is to begin at 9:00 a.m., Eastern
Standard Time, in Hearing Room 1 of the Commission's
offices at 211 Sower Boulevard, Frankfort, Kentucky,
for the purpose of cross-examination of witnesses(to be scheduled)

Simultaneous briefs, if any, shall be filed by 11/02/2005

Commission decision on Joint Applicants' Application
shall be issued no later than 11/30/2005