

COMMONWEALTH OF KENTUCKY  
BEFORE THE PUBLIC SERVICE COMMISSION

In the Matter of:

PROPOSED ADJUSTMENT OF THE WHOLESALE )  
WATER SERVICE RATES OF THE CITY OF ) CASE NO. 2005-00440  
MANCHESTER )

ORDER

The city of Manchester, Kentucky (“Manchester”) has moved to withdraw its proposed rate for wholesale water service to North Manchester Water Association (“North Manchester”) on the condition that Commission Staff conduct a review of its water department’s financial records and prepare a report containing its findings and recommendations on the appropriate wholesale water service for North Manchester.

Having considered the motion and being otherwise sufficiently advised, the Commission finds that Manchester’s motion should be granted. We note that any findings and recommendations arising from Commission Staff’s review will not be binding upon the Commission nor on either party to this proceeding. We further note that, should Manchester choose to adopt any Commission Staff recommendation as its wholesale water service rate, it must follow the procedures set from in KRS 278.180 to place such rate into effect.

IT IS THEREFORE ORDERED that:

1. Manchester’s motion to withdraw its proposed rate for wholesale water service to North Manchester is granted.
2. Within 30 days of the date of this Order, the Commission’s Executive Director shall assign members of Commission Staff to review the financial records of

Manchester's water department and to prepare a report containing its findings and recommendations on the appropriate wholesale water service for North Manchester.

3. Within 120 days of the date of this Order, those members of Commission Staff assigned to conduct the review described in Ordering Paragraph 2 shall conduct that review and submit a written report of their findings and recommendations to the Executive Director.

4. The Executive Director shall serve upon Manchester and North Manchester a copy of the written report of Commission Staff's findings and recommendations and shall make the report's authors available to both parties to address any questions regarding the report's contents.

5. This case is closed and shall be removed from the Commission's docket.

Done at Frankfort, Kentucky, this 24<sup>th</sup> day of April, 2006.

By the Commission

ATTEST:



Executive Director