

COMMONWEALTH OF KENTUCKY
BEFORE THE PUBLIC SERVICE COMMISSION

In the Matter of:

AN INVESTIGATION INTO THE PROPOSED)
WHOLESALE WATER SERVICE CONTRACT) CASE NO. 2008-00383
BETWEEN THE RICHMOND UTILITIES BOARD)
AND KIRKSVILLE WATER ASSOCIATION)

O R D E R

On April 3, 2008, Richmond Utilities Board ("Richmond") filed with the Commission a contract for wholesale water service to Kirksville Water Association. The contract was to "extend for a term beginning with the date of execution of this contract by both Parties and ending on December 31, 2038," and was dated April 9, 2007. It provided for a wholesale rate of \$2.02 per 100 cubic feet, to be effective 60 days after a city ordinance approving the rate, but no earlier than July 1, 2007. It further provided for an automatic annual adjustment based on the Consumer Price Index ("CPI") and required Commission approval within 30 days from the date of the agreement as a condition to becoming effective.

On November 12, 2008, the Commission initiated this investigation to determine whether the contract should be declared void because of the parties' failure to obtain Commission approval to accept the contract within 30 days from the date of the agreement, whether CPI is an accurate measure of changes in the cost of providing wholesale water service, and whether automatic annual adjustments based upon a

price index are more reasonable than periodic rate filings with the Commission based upon Richmond's actual cost of providing water service.

On January 27, 2009, Richmond advised the Commission of its withdrawal of the contract. Richmond states that the parties to the contract have agreed in principle to amend the contract and that it will file the amended contract at a later date. Accordingly, the Commission finds that this investigation is moot and the case should be dismissed.

IT IS THEREFORE ORDERED that this case be dismissed and removed from the Commission's docket.

Done at Frankfort, Kentucky, this 5th day of February, 2009.

By the Commission

ATTEST:



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