COMMONWEALTH OF KENTUCKY

BEFORE THE PUBLIC SERVICE COMMISSION

In the Matter of:

APPLICATION FOR ALTERNATIVE RATE FILING) CASE NO. 2013-00172 OF FERN LAKE COMPANY)

ORDER

Fern Lake Company has applied for an adjustment of its rates for service pursuant to the procedures set forth in 807 KAR 5:076. Finding that a procedural schedule should be established to ensure the orderly review of Fern Lake Company's application, the Commission HEREBY ORDERS¹ that:

- 1. No later than July 15, 2013, Commission Staff shall file with the Commission and serve upon all parties of record a written report containing its findings and recommendations regarding Fern Lake Company's requested rate adjustment.
- 2. No later than July 29, 2013, or 14 days after the date of the filing of the Commission Staff Report, whichever occurs earlier, each party of record shall file with the Commission:
- a. Its written comments on and any objections to the findings and recommendations contained in the Commission Staff Report;
 - b. Any additional evidence for the Commission's consideration; and,
- c. Written notice as to whether this matter may be submitted for decision based upon the existing record without hearing.

No action is necessary to suspend the effective date of Fern Lake Company's proposed rates for general water service. Pursuant to 807 KAR 5:076, Section 7(1), an applicant who applies for a rate adjustment pursuant to the procedures set forth in 807 KAR 5:076 may not place its proposed rates into effect until the Commission approves those rates or six months from the date of the filing of its application.

- 3. If Commission Staff finds that Fern Lake Company's financial condition supports a higher rate than Fern Lake Company proposes, or the assessment of an additional rate or charge not proposed in Fern Lake Company's application, Fern Lake Company in its response to the Commission Staff Report shall also state its position in writing on whether the Commission should authorize the assessment of the higher rate or the recommended additional rate or charge.
- 4. If Commission Staff recommends changes in the manner in which Fern Lake Company accounts for the depreciation of Fern Lake Company's assets, Fern Lake Company in its response to the Commission Staff Report shall also state its position in writing on whether the Commission should require Fern Lake Company to implement the proposed change for accounting purposes.
- 5. A party's failure to file written objections to a finding or recommendation contained in the Commission Staff Report by July 29, 2013, or 14 days after the date of the filing of the Commission Staff Report, whichever occurs earlier, shall be deemed as agreement with that finding or recommendation.
- 6. Unless all parties request that this matter be submitted for decision upon the existing record, an informal conference shall be held in this matter on August 15, 2013 at 1:00 p.m., Eastern Daylight Time, at the Commission's offices at 211 Sower Boulevard, Frankfort, Kentucky.
- 7. Unless all parties request that this matter be submitted for decision upon the existing record, a formal hearing in this matter shall be held in the Commission's

offices at 211 Sower Boulevard, Frankfort, Kentucky, at a date and time to be subsequently announced.

- 8. Each party shall file with the Commission, no later than August 20, 2013, a list of the persons it intends to call as witnesses at the scheduled hearing and a summary of each witness's expected testimony.
- 9. Fern Lake Company shall publish notice of the scheduled hearing in accordance with 807 KAR 5:076, Section 11, no more than 21 days and no less than seven days before the day of the scheduled hearing.
- 10. Pursuant to KRS 278.360, the record on the formal hearing in this matter shall be by videotape.
- 11. Commission Staff shall prepare a written list of all exhibits presented at the hearing and shall file this list with the Commission with all hearing exhibits and a copy of the video transcript of the hearing.

By the Commission

ENTERED

MAY 2 9 2013

KENTUCKY PUBLIC SERVICE COMMISSION

ATTEST:

<u> Marrin - Greenwal</u> for Executive Director

David S Samford Goss Samford, PLLC 2365 Harrodsburg Road, Suite B130 Lexington, KENTUCKY 40504