

BEFORE THE PUBLIC SERVICE COMMISSION OF KENTUCKY

Meeting of the Public Service Commission held this day; present,  
Commissioners Cammack and McGregor.

IN THE MATTER OF THE INVESTIGATION ON )  
THE COMMISSION'S OWN MOTION TO DEFINE )  
ITS JURISDICTION UNDER SECTION 3952-25 )  
OF THE KENTUCKY STATUTES AND TO DETER- )  
MINE REASONABLE RULES AND REGULATIONS )  
RELATING TO EXTENSIONS OF RURAL LINES )  
OF ELECTRIC UTILITIES. )

ADMINISTRATIVE ORDER NO. 21

NOTICE OF INVESTIGATION AND HEARING

Whereas, Section 3952-25 of the Kentucky Statutes requires,  
among other things, that no utility shall begin construction of any plant  
or facilities unless and until it shall have obtained from the Commission  
a certificate that public convenience and necessity require such construction;  
and

Whereas, Such section excludes from this requirement "ordinary  
extensions of existing systems in the usual course of business" which  
exception is so broad that it is subject to a wide variety of interpre-  
tations and has, in the past, been interpreted variously by different  
companies; and

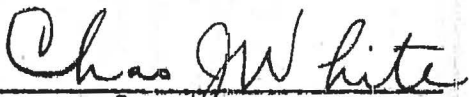
Whereas, The necessity of more precise definition of Section  
3952-25 has become apparent at the present time, particularly because of  
the organization of rural cooperative associations for the development of  
rural electrification; and

Whereas, The Commission, having general supervision over such  
rural associations, plans to cooperate in the rural electrification program  
and desires to prevent wasteful competitive solicitation between cooperative  
groups and the public utilities and duplication of facilities and services;  
and

Whereas, Informal complaints have come to the Commission that public utilities have canvassed and obtained service applications from the better potential users and have extended their electric lines into territory being surveyed by cooperatives, thus reducing the probable average consumption for the area as a whole and endangering the economic feasibility of projects which would otherwise bring the benefits of electric service to widespread areas.

Notice is hereby given that the Commission has instituted an investigation of this entire matter and that a public hearing will be had at the offices of the Commission in Frankfort, Kentucky, at 2 p.m., on April 6, 1937, at which all interested parties may appear and present views and testimony pertinent to the premises.

Dated at Frankfort, Kentucky this 20th day of March, 1937.

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Secretary