## COMMONWEALTH OF KENTUCKY

## BEFORE THE PUBLIC SERVICE COMMISSION

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PROPOSED REVISION OF RULES	)
REGARDING THE PROVISION OF	)
WHOLESALE WATER SERVICE BY THE	) CASE NO. 2011-00419
CITY OF VERSAILLES TO NORTHEAST	)
WOODFORD WATER DISTRICT	)

## ORDER

The Commission, on its own motion, HEREBY ORDERS that each party to this proceeding shall address in its brief the following issues:

- Does the Commission have jurisdiction to hear a dispute over the terms of a purchased water contract between a municipal utility and a public utility?
- Does the Commission have jurisdiction to interpret the terms of a contract between a municipal utility and public utility for the sale of water service?
- Does KRS 278.200 confer authority upon the Commission to approve the imposition of a condition of service upon a public utility's purchase of utility service from a municipal utility over the public utility's objection?
- Does KRS 278.300 require Northeast Woodford Water District to obtain Commission authorization before executing an agreement with Frankfort Electric and Water Plant Board for the purchase of water that has a 30-year term and contains an annual minimum purchase requirement?
- If KRS 278.300 requires Northeast Woodford Water District to obtain Commission authorization before executing an agreement with Frankfort Electric and Water Plant Board for the purchase of water that has a 30-year term and contains an annual minimum purchase requirement, what is the effect on the contract of Northeast Woodford District's failure to obtain such approval?

- Were the requirements of KRS 278.300 satisfied by Frankfort Electric and Water Plant Board's filing of the purchased water contract with the Commission?
- If the Commission determines that the purchased water contract between the city of Versailles and Northeast Woodford Water District did not contain a minimum purchase requirement, what weight, if any, should the Commission give to the absence of such requirement in determining whether Versailles' proposed rule should be approved?

By the Commission

**ENTERED** 

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MAY 14 2012

KENTUCKY PUBLIC SERVICE COMMISSION

Executive Director

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