

COMMONWEALTH OF KENTUCKY
BEFORE THE PUBLIC SERVICE COMMISSION

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In the Matter of:

CUMBERLAND FALLS HIGHWAY WATER)
DISTRICT TO SHOW CAUSE AS TO FAILURE)
TO PAY BOND PRINCIPAL AND INTEREST) CASE NO. 9441
PAYMENTS AND OTHER INTEREST EXPENSE)
ASSOCIATED WITH LONG-TERM DEBTS)

O R D E R

In its Order of October 18, 1985, in Case No. 9417, Notice of Cumberland Falls Highway Water District of PWA Increase in Rates, the Commission ordered that a separate Show Cause proceeding, Case No. 9441, shall be conducted to investigate the matter of non-payment of both the bond principal and interest payments. On October 29, 1985, Cumberland Falls Highway Water District ("Cumberland Falls") filed an application, Case No. 9451, Application of Cumberland Falls for a Certificate to Construct, Authority to Borrow, Authority to Refund Existing FmHA Indebtedness With a Loan from FmHA, and Approval of a Rate Increase.

Cumberland Falls filed a motion on November 7, 1985, requesting that the Show Cause proceeding, Case No. 9441, be dismissed, based upon the fact that the arrearage of debt service payments to FmHA is addressed in Case No. 9451. In addition, Cumberland Falls stated in the motion that the dismissal would lessen the expense burden of a separate Show Cause proceeding.

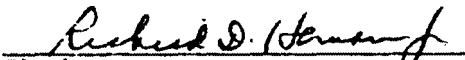
The Commission, after review of the evidence of record and being advised, is of the opinion and finds that:

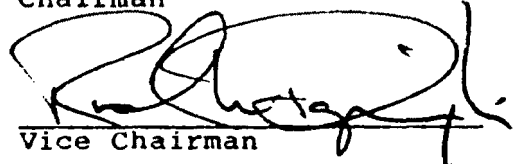
1. The issues of the Show Cause proceeding, Case No. 9441, can and should be addressed in Case No. 9451.

IT IS THEREFORE ORDERED that Case No. 9441 be and it hereby is dismissed without prejudice.

Done at Frankfort, Kentucky, this 27th day of November, 1985.

PUBLIC SERVICE COMMISSION


Chairman


Vice Chairman


Commissioner

ATTEST:

Secretary