COMMONWEALTH OF KENTUCKY

BEFORE THE PUBLIC SERVICE COMMISSION

In the Matter of:

INVESTIGATION INTO ABANDONMENT OF) CASE NO. SERVICE BY K&N WATER SERVICE) 91-432

ORDER

The Commission initiated this proceeding to investigate the abandonment of service by K&N Water Service ("K&N"). By an Order dated January 17, 1992, the Commission notified all customers of K&N about the utility's request to abandon service and informed them of their right to intervene or file written objections to the abandonment. No request for intervention or written objections were received by the Commission.

KRS 278.020(4) requires that no person under the jurisdiction of the Commission shall abandon any utility without prior approval by the Commission. K&N states that its customers, numbering 37, have been notified of the discontinuance of service. K&N avers that its reason for abandonment is that it will not be financially feasible to continue operation of this system in compliance with Commission regulations and statutes. K&N additionally states in its application that its customers will have an alternative source of water supply by drilling wells.

Based upon the foregoing, the Commission finds that public convenience and necessity do not require or justify the continued operation of this system.

Having considered this application and having been otherwise sufficiently advised, the Commission HEREBY ORDERS that K&N's application for discontinuance of service pursuant to KRS 278.020(4) is approved.

Done at Frankfort, Kentucky, this 9th day of March, 1992.

PUBLIC SERVICE COMMISSION

Chairman

Vice Chairman

Commissioner

ATTEST:

Ly Molection Learning Executive Director