COMMONWEALTH OF KENTUCKY

BEFORE THE PUBLIC SERVICE COMMISSION

In the Matter of:

APPLICATION OF KENTON COUNTY WATER) DISTRICT NO. 1 (A) FOR AUTHORITY TO) ISSUE PARITY REVENUE BONDS IN THE) APPROXIMATE AMOUNT OF \$14,402,000.00; (B) A CERTIFICATE OF CONVENIENCE AND NECESSITY FOR THE CONSTRUCTION OF A CASE NO. 94-316) NEW OHIO RIVER PUMP STATION AT A COST) OF APPROXIMATELY \$13,400,000.00; AND (C) NOTICE OF AN ADJUSTMENT OF RATES; AN INCREASE OF APPROXIMATELY \$1,778,000.00 EFFECTIVE NOVEMBER 1, 1995)

ORDER

On September 30, 1994, Kenton County Water District No. 1 ("Kenton District") applied to the Commission for an adjustment of its rates effective November 1, 1994. On October 10, 1994, the Commission found Kenton District's application deficient and refused to accept it. It directed Kenton District to file certain information to correct these filing deficiencies. Kenton District corrected these deficiencies on October 25, 1994 but continued to use November 1, 1994 as the effective date of its proposed tariff. As a tariff revision may only become effective upon 30-days' notice to the Commission, the correct effective date of the proposed tariff is November 24, 1994.

The Commission finds that, pursuant to KRS 278.190, further proceedings are necessary in order to determine the reasonableness of the proposed rates and that such proceedings cannot be completed prior to the proposed effective date. IT IS THEREFORE ORDERED that:

1. The proposed rates are hereby suspended for 5 months from November 24, 1994 up to and including April 23, 1995.

2. Nothing contained herein shall prevent the Commission from entering a final decision in this case prior to the termination of the suspension period.

Done at Frankfort, Kentucky, this

1st day of November, 1994.

PUBLIC SERVICE COMMISSION

TTEST: illo

Executive Director