

COMMONWEALTH OF KENTUCKY
BEFORE THE PUBLIC SERVICE COMMISSION

In the Matter of:

PROPOSED ADJUSTMENT OF THE WHOLESALE)
WATER SERVICE RATES OF THE MOUNT) CASE NO. 95-193
STERLING WATER AND SEWER COMMISSION)

O R D E R

Mount Sterling Water and Sewer Commission ("Mount Sterling") has moved for clarification of the Commission's Order of April 28, 1995, and for a 30-day extension of time in which to comply with that Order.

Having considered the motion and being otherwise sufficiently advised, the Commission finds:

1. Mount Sterling's motion should be granted.
2. The Commission's jurisdiction over municipally owned utilities extends only to rates charged and services provided to public utilities. Simpson County Water District v. City of Franklin, Ky., 872 S.W.2d 460 (1994). It does not extend to the retail rates of such utilities or to the rates which a municipally owned utility may assess to another municipally owned utility.

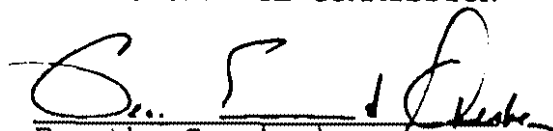
IT IS THEREFORE ORDERED that:

1. Mount Sterling's motion is granted.
2. Mount Sterling's response to the Commission's Order of April 28, 1995 shall be filed no later than June 28, 1995.
3. The Commission's Order of April 28, 1995 applies only to the rates which Mount Sterling proposes to charge to public

utilities and does not apply to those rates which it proposes to charge to its retail or municipal utility wholesale customers.

Done at Frankfort, Kentucky, this 31st day of May, 1995.

PUBLIC SERVICE COMMISSION


For the Commission

ATTEST:


Executive Director