COMMONWEALTH OF KENTUCKY

BEFORE THE PUBLIC SERVICE COMMISSION

In the Matter of:

APPLICATION OF KENTUCKY-AMERICAN WATER)) CASE NO. 95-554 COMPANY TO INCREASE ITS RATES

ORDER

IT IS ORDERED that the Attorney General, by and through his Public Service Litigation Branch, shall file the original and 9 copies of the following information with the Commission with a copy to all parties of record no later than June 17, 1996. Careful attention should be given to copied material to ensure that it is legible.

Refer to Kentucky-American Water Company ("Kentucky-American") Exhibit 36.

- Explain the basis for not including the Customer Service Expense classified 1. as Supervision in the amount of \$280,972 from your calculation of the customer charge.
- Explain the basis for not allocating any of the uncollectible accounts expense 2. of \$100,800 to the customer charge.
- Explain why depreciation on office equipment and computers and software 3. should not be partially allocated to the customer charge.

Done at Frankfort, Kentucky, this 3rd day of June, 1996. PUBLIC SERVICE COMMISSION

Breathoff

ATTEST:

Executive Directo