COMMONWEALTH OF KENTUCKY

BEFORE THE PUBLIC SERVICE COMMISSION

In the Matter of:

CITY OF LAWRENCEBURG, KENTUCKY COMPLAINANT

٧.

SOUTH ANDERSON WATER DISTRICT

RESPONDENT

ORDER

CASE NO. 96-256

On August 14, 1996, the City of Lawrenceburg, Kentucky ("Lawrenceburg"), and South Anderson Water District ("South Anderson") submitted a joint motion advising the Commission that they are currently engaged in settlement negotiations and requested that the Commission suspend the procedural schedule set forth in its August 1, 1996 Order pending the outcome of these discussions. The joint motion did not state whether the intervening parties in this proceeding were participants in these discussions.¹ Lawrenceburg and South Anderson were given the opportunity by Order of the Commission on August 16, 1996, to amend their joint motion to state whether all parties to this proceeding are agreeable to, and participating in, the settlement negotiations.

On August 22, 1996, South Anderson filed a response to the Commission's August 16 Order. In this response, South Anderson stated that it had no intention of serving the

¹ The intervening parties in this proceeding are Michael and Kimberly Wiley, Bruce Nix, Walter and Evelyn Lanham, Bobby and Connie Peck, David W. and Carol H. Dean, and Gregory F. and Nancy P. Smith.

six families who have intervened in this case who currently receive water service from Lawrenceburg. South Anderson assured the intervenors that they would not be affected by the outcome of the settlement negotiations between Lawrenceburg and the District, or by any final Order entered by the Commission. As a result, South Anderson opined that the intervenors might want to reconsider their continued participation in this matter.

South Anderson, with the acquiescence of Lawrenceburg, renewed the two parties' joint motion to suspend the procedural schedule pending the conclusion of the settlement negotiations. South Anderson also moved that the hearing scheduled in this matter for September 18, 1996 be rescheduled or continued generally due to the fact that the attorney for South Anderson will be speaking at, and participating in, the 17th Annual Technical Conference of the Kentucky Rural Water Association, Inc. which is to be held September 16-18, 1996.²

The procedural schedule having already been interrupted, the joint motion to suspend it should be granted. South Anderson and Lawrenceburg may of course continue their settlement negotiations, but the Commission would not be able to approve a settlement agreed upon between South Anderson and Lawrenceburg absent the participation or consensus of the intervenors. If, due to the statements made by South Anderson, the intervenors wish to discontinue their participation in this matter, they should individually file motions to withdraw as parties to this proceeding. South Anderson's motion to reschedule or continue the hearing generally should also be granted. The hearing

² Damon R. Talley, Esq. is General Counsel for the Kentucky Rural Water Association.

should be continued generally based on the attorney for South Anderson's scheduling conflict.

IT IS THEREFORE ORDERED that:

1. The joint motion to suspend the procedural schedule is granted. South Anderson and Lawrenceburg may continue their settlement negotiations, but the Commission would not be able to approve a settlement agreed upon between South Anderson and Lawrenceburg absent the participation or consensus of the intervenors. If an agreement is not reached and presented to the Commission within 21 days from the date of this Order, the Commission will issue a revised procedural schedule.

2. South Anderson's motion to reschedule or continue generally the hearing is granted. The hearing shall be continued generally to be rescheduled at the Commission's discretion.

3. Any intervenors wishing to discontinue their participation in this matter may do so by filing individual motions to withdraw as parties to this proceeding.

Done at Frankfort, Kentucky, this 29th day of August, 1996.

PUBLIC SERVICE COMMISSION

ATTEST:

Executive Director