

COMMONWEALTH OF KENTUCKY
BEFORE THE PUBLIC SERVICE COMMISSION

In the Matter of:

PROPOSED ADJUSTMENT OF THE)
WHOLESALE WATER SERVICE RATES OF) CASE NO. 98-497
THE CITY OF AUGUSTA, KENTUCKY)

O R D E R

The City of Augusta, Kentucky ("Augusta") has submitted proposed revisions to its existing rates for wholesale water service to Bracken County Water District ("Bracken District"). Augusta proposes that these revisions become effective on and after October 18, 1998. Bracken District has requested that the Commission suspend and investigate the proposed rate.

Having considered the proposed rate revision and being otherwise sufficiently advised, the Commission finds that, pursuant to KRS 278.190, further proceedings are necessary to determine the reasonableness of the proposed rate revision.

The Commission further finds that Bracken District has a special interest in this proceeding which is not otherwise adequately represented and that its intervention is likely to present issues or to develop facts that assist the Commission in fully considering the matter without unduly complicating or disrupting this proceeding.

IT IS THEREFORE ORDERED that:

1. Augusta's proposed rate revisions are suspended for five months from October 18, 1998 up to and including March 17, 1999.

2. Within 30 days of the date of this Order, Augusta shall submit the information required by Administrative Regulation 807 KAR 5:001, Section 10. To the extent that Augusta considers any of the requirements of this regulation to be onerous or inapplicable, it may petition for a deviation from them.

3. Bracken District is made a party to this proceeding. Any party filing testimony, exhibits, pleadings, correspondence or any other documents with the Commission shall serve a copy of such documents on Bracken District.

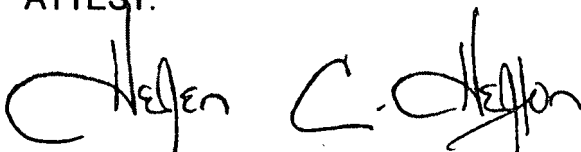
Done at Frankfort, Kentucky, this 30th day of September, 1998.

PUBLIC SERVICE COMMISSION



For the Commission

ATTEST:



Executive Director