

COMMONWEALTH OF KENTUCKY
BEFORE THE PUBLIC SERVICE COMMISSION

In the Matter of:

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

ORDER

The City of Augusta, Kentucky (Augusta) and Bracken County Water District (Bracken District) have jointly petitioned for rehearing of the Commission s Order of July 14, 1999. In support of their application, the petitioners state that Augusta is obtaining evidence to demonstrate the basis for the rate set forth in their settlement agreement, that Augusta has obtained a certified public accountant to organize and audit the expenses of its water treatment plant, and that the petitioners wish to explore the use of an automatic adjustment mechanism as discussed in the Order of July 14, 1999.

Having considered the petition and considering our invitation for the parties to produce additional evidence to support and explain their agreement, the Commission finds that the petition should be granted.

IT IS THEREFORE ORDERED that:

1. The Joint Petition for Rehearing is granted.
2. Within 21 days of the date of this Order, Augusta and Bracken District shall file additional evidence on the calculation of total gallons of treated water sold and its components as the term is used in their Settlement Agreement.

3. An informal conference shall be held in this matter on October 6, 1999 at 10:00 a.m. in Conference Room 1 of the Commission's offices at 730 Schenkel Lane, Frankfort, Kentucky to discuss their Settlement, the results of the audit of Augusta's water treatment plant records, possible inclusion of an automatic adjustment clause in Augusta's wholesale rate, and any other pertinent matters.

Done at Frankfort, Kentucky, this 3rd day of September, 1999.

By the Commission

ATTEST:

Executive Director