COMMONWEALTH OF KENTUCKY

BEFORE THE PUBLIC SERVICE COMMISSION

In the Matter of:

A WATER PURCHASE AGREEMENT BETWEEN)
KENTUCKY-AMERICAN WATER COMPANY) CASE NO
AND WINCHESTER MUNICIPAL UTILITIES) 2001-230
COMMISSION)

ORDER

On July 9, 2001, Kentucky-American Water Company ("Kentucky-American") filed with the Commission a water purchase agreement with Winchester Municipal Utilities Commission. The Commission finds that, pursuant to KRS 278.190, further proceedings are necessary in order to determine the reasonableness of the proposed agreement.

IT IS THEREFORE ORDERED that:

- 1. This proceeding is initiated to investigate the reasonableness of the proposed water purchase agreement.
- 2. Winchester shall not place the proposed contract into effect without complying with the provisions of KRS 278.180.

Done at Frankfort, Kentucky, this 3rd day of August, 2001.

By the Commission

ATTEST:

Jeruly Executive Directo