## COMMONWEALTH OF KENTUCKY

## BEFORE THE PUBLIC SERVICE COMMISSION

In the Matter of:

THE JOINT APPLICATION OF THE SPEARS WATER	)
COMPANY, INC. AND THE CITY OF NICHOLASVILLE	)
FOR APPROVAL OF AN ASSET PURCHASE	) CASE NO
AGREEMENT WHEREBY THE CITY OF	) 2001-325
NICHOLASVILLE PROPOSES TO ACQUIRE THE	)
EXISTING WATER DISTRIBUTION SYSTEM OF	)
THE SPEARS WATER COMPANY, INC. PURSUANT	)
TO THE PROVISIONS OF KRS 278.020(4) AND	)
807 KAR 5:001, SECTION 8	)

## ORDER

On December 21, 2001, Spears Water Company, Inc. ("Spears") and the city of Nicholasville (the "City") (hereinafter, the "Joint Applicants") filed a motion to continue the hearing scheduled for January 4, 2002; to schedule an informal conference for that date; and to suspend or amend the balance of the procedural schedule set forth in the November 21, 2001 Order. The Joint Applicants state that all parties agree to the motion, and contend that an informal conference would enable the parties and staff to narrow the issues in this case and, perhaps, to avoid formal hearing.

The Commission finds good cause to grant the motion. However, the Commission cautions the Joint Applicants that the initial statutory deadline has already been extended once in this case. If an evidentiary hearing must be held subsequent to the conference, additional time beyond the current due date of February 1, 2002 will almost certainly be required for full review of the record and issuance of a final Order. As Joint Applicants have requested the suspension of the procedural schedule in their motion, it is presumed that, if granting their motion results in a practical inability to

complete this case by February 1, 2002, they have waived any right to receipt of a final

Order by February 1, 2002. Any party objecting to this finding of waiver shall so notify

the Commission in writing within 5 days of the date of this Order.

IT IS THEREFORE ORDERED that:

1. The motion of the Joint Applicants is granted.

2. The procedural schedule entered November 21, 2001 in this case is

suspended.

3. The hearing scheduled for January 4, 2002 is continued generally.

4. An informal conference is hereby scheduled for 9:00 a.m., Eastern

Standard Time, January 4, 2002, at the Commission's offices at 211 Sower Boulevard,

Frankfort, Kentucky.

5. Each of the parties shall be represented at the formal conference by

persons authorized to enter into a settlement agreement.

6. Any party objecting to the finding herein that Joint Applicants, in moving

for suspension of the procedural schedule, have waived any right to a final

determination in this matter by February 1, 2002, shall file a written statement to that

effect no later than 5 days from the date of this Order.

Done at Frankfort, Kentucky, this 27<sup>th</sup> day of December, 2001.

By the Commission

ATTEST:

Executive Director