

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 AGREEMENT WHEREBY)	
THE CITY OF NICHOLASVILLE PROPOSES)	CASE NO.
TO ACQUIRE THE EXISTING WATER)	2001-00325
DISTRIBUTION SYSTEM OF THE SPEARS)	
WATER COMPANY, INC. PURSUANT TO)	
THE PROVISIONS OF KRS 278.020(4) AND)	
807 KAR 5:001(8))	

O R D E R

Upon agreement of the parties to extend the due date for a final Order to March 15, 2002, and it appearing to the Commission as follows:

This proceeding arises out of a joint application by the Spears Water Company, Inc. ("Spears Water") and the city of Nicholasville ("Nicholasville") to approve the transfer of Spears Water's water utility to Nicholasville. Subsequent to the application, the Kentucky Attorney General ("Attorney General") and the Kentucky-American Water Company ("Kentucky-American") intervened as parties to the proceeding. Following its intervention, Kentucky-American entered into negotiations to resolve outstanding issues.

KRS 278.020(5) requires the Commission to enter an Order within 60 days from the filing of the application. At an informal conference Kentucky-American and the applicants advised that they needed additional time to reach a settlement and the parties agreed to extend the Commission's due date for an Order to March 15, 2002.

The resolution of the issues between Kentucky-American and the applicants should serve to expedite this proceeding and is in the public interest.

The Commission having been sufficiently advised, IT IS HEREBY ORDERED that the due date for a final Order from the Commission on the application is hereby extended to March 15, 2002.

Done at Frankfort, Kentucky, this 1st day of February, 2002.

By the Commission

ATTEST:


Executive Director