COMMONWEALTH OF KENTUCKY

BEFORE THE PUBLIC SERVICE COMMISSION

In the Matter of:

PROPOSED ADJUSTMENT OF THE WHOLESALE) RATES OF THE CITY OF RUSSELLVILLE,)CASE NO. 2002-00023 KENTUCKY)

<u>ORDER</u>

The city of Russellville, Kentucky (Russellville) has submitted proposed revisions to its existing rate for wholesale water service to public utilities effective on and after January 20, 2002. North Logan Water District (North Logan) and East Logan Water District (East Logan) have moved to intervene in any Commission proceedings on the proposed rate revisions.

The proposed rates are currently the subject of another proceeding before this Commission.¹ At issue in that proceeding is whether Russellville properly authorized and presented these rates to the Commission in March 2001 and whether any failure on Russellville's part to properly authorize and present those rates to the Commission would render those rates void. Pending the outcome of that proceeding, the Commission finds that Russellville's submission should be considered as a new rate filing and that, pursuant to KRS 278.190, further proceedings are necessary to determine the reasonableness of the proposed rate. By subsequent Order, we will establish a procedural schedule to conduct such review.

¹ Case No. 2001-212, East Logan Water District and North Logan Water District v. City of Russellville.

The Commission further finds that the intervention of North Logan and East Logan is likely to present issues or to develop facts that will assist the Commission in fully considering the matter without unduly complicating or disrupting this proceeding and that they should be permitted to intervene in this matter.

IT IS THEREFORE ORDERED that:

1. Russellville s proposed rate revision is suspended for five months from January 20, 2002 to June 19, 2002.

2. North Logan s and East Logan s Motions for Intervention are granted.

Done at Frankfort, Kentucky, this 18th day of January, 2002.

By the Commission

ATTEST: