

COMMONWEALTH OF KENTUCKY
BEFORE THE PUBLIC SERVICE COMMISSION

In the Matter of:

UTILITY COMMISSION OF THE CITY OF)
LONDON)
_____))
INVESTIGATION INTO THE RATE FOR) CASE NO. 2002-00036
WHOLESALE WASTEWATER SERVICE TO)
WOODS CREEK WATER DISTRICT)

ORDER

On November 27, 2001, the Utility Commission of the City of London (London) submitted a tariff sheet to the Commission to increase its rate for wholesale wastewater service to Woods Creek Water District (Woods Creek) to \$2.48 per 1,000 gallons. London provides wastewater treatment services to Woods Creek under the terms of a Wastewater Treatment Services Contract that was executed on May 19, 1998. This agreement provides for an initial rate of \$1.13 per 1,000 gallons of wastewater¹ and further provides that London may modify this rate at the end of every one year period.²

In its submission, however, London failed to present evidence to demonstrate that the city of London s legislative body had approved the proposed revision. Finding that the absence of any ordinance expressly authorizing the proposed rate suggested that the London City Council had not authorized the proposed rate revision and that London s filing was ultra vires, we ordered London to show cause in writing why its rate

¹ Wastewater Treatment Services Contract at § B(2)(b).

² Id. at § C(3).

filing of November 27, 2001 should not be declared void and why it should not be prohibited from assessing any rate other than the rate of \$1.13 per 1,000 gallons for wastewater treatment service.

Responding to this Order,³ London advised the Commission that it has not implemented its proposed rate of \$2.48 per 1,000 gallons and continues to assess only the \$1.13 rate. It further stated that it will take no action to implement the proposed rate until the London City Council has enacted an ordinance that authorizes the new rate or grants London the general authority to enter into wholesale contracts or revise the rates of such contracts. When such ordinance is enacted, London will resubmit its proposed rate to the Commission.

The Commission will treat London's response as a request to withdraw its filing of November 27, 2001. We find that London's request should be granted. We further find that, as a result of London's actions, all issues presented by our Order of February 12, 2002 have been resolved and that this proceeding may be closed.

IT IS THEREFORE ORDERED that:

1. London's request to withdraw its proposed rate is granted.
2. This case is closed and shall be removed from the Commission's docket.

³ Letter from Randy Bingham, Superintendent, Utility Commission of the City of London, to Gerald Wuetcher, Assistant General Counsel, Public Service Commission (Apr. 9, 2002).

Done at Frankfort, Kentucky, this 22nd day of April, 2002.

By the Commission

ATTEST:


Executive Director