COMMONWEALTH OF KENTUCKY

BEFORE THE PUBLIC SERVICE COMMISSION

In the Matter of:

APPLICATION OF NORTHERN KENTUCKY WATER DISTRICT FOR (A) AN ADJUSTMENT OF RATES; (B) A CERTIFICATE OF PUBLIC CONVENIENCE AND NECESSITY FOR IMPROVEMENTS TO WATER FACILITIES IF NECESSARY; AND (C) ISSUANCE OF BONDS

CASE NO. 2002-00105

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<u>ORDER</u>

On October 22, 2002, Northern Kentucky Water District (NKWD) moved the Commission to reschedule the hearing in this matter. In support of its motion, NKWD states that its cost of service witness will be unavailable, due to other business commitments, to attend the hearing as scheduled. On November 4, 2002, the city of Taylor Mill filed a response to NKWD s motion. It stated that it had no objection to the motion, but advised the Commission that its water system witness will be unavailable in December.

The Commission, having considered the motion and the response and being otherwise sufficiently advised, finds that NKWD s motion should be granted.

Pursuant to KRS 278.190(2) the Commission may, at any time before the schedule of rates becomes effective, suspend the operation of the schedule and defer the use of the rate, charge, classification or service. NKWD has proposed an effective date of its rate schedules of January 1, 2003. The Commission determined that a hearing was necessary to investigate the reasonableness of the proposed rates and

scheduled a hearing for November 25, 2002. NKWD's request to reschedule that hearing necessitates that the Commission suspend the proposed rates.

In addition, KRS 278.300(2) requires the Commission to render a decision regarding a utility s request to issue securities or to obtain financing within 60 days, unless it is necessary for good cause to continue the application for a longer time. Having found that NKWD s request to reschedule the hearing is appropriate and should be granted, the Commission finds that good cause exists to continue the application for a period longer than 60 days.

IT IS THEREFORE ORDERED that:

1. NKWD s motion to reschedule the hearing is granted.

2. The hearing in the above case scheduled on November 25, 2002, is rescheduled for January 9, 2003, at 9:00 a.m., Eastern Standard Time, in Hearing Room 1 of the Commission s offices at 211 Sower Boulevard, Frankfort, Kentucky.

3. NKWD shall give notice of this hearing no later than January 3, 2003. At the time publication is requested, NKWD shall forward a duplicate of the notice and request to the Commission.

4. The proposed rates set forth in NKWD's application are suspended pursuant to KRS 278.190 up to and including April 30, 2003.

5. NKWD s request for approval of financing is continued beyond the 60-day period specified in KRS 278.300(2).

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

By the Commission

ATTEST:

- Chanas - all Executive Director