COMMONWEALTH OF KENTUCKY

BEFORE THE PUBLIC SERVICE COMMISSION

In the Matter of:

PROPOSED INITIAL RATE FOR WHOLESALE WATER SERVICE BY GREEN HILLS WATER DISTRICT

CASE NO. 2002-00420

ORDER

On October 28, 2002, Green Hills Water District (Green Hills) submitted a proposed rate for wholesale water service. Green Hills currently has no wholesale customers but expects to provide such service to Hyden-Leslie Water District in the near future as the result of a recent water main extension project. The Commission finds that further proceedings are necessary to determine the reasonableness of the proposed wholesale rate.

IT IS HEREBY ORDERED that:

1. This proceeding is established to investigate the reasonableness of Green Hill s proposed wholesale water service rate.

2. Green Hills shall not place the proposed rate into effect until complying with the requirements of KRS 278.180.

Done at Frankfort, Kentucky, this 27th day of November, 2002.

By the Commission

ATTEST:

Deputy Executive Director