

COMMONWEALTH OF KENTUCKY
BEFORE THE PUBLIC SERVICE COMMISSION

In the Matter of:

PROPOSED ADJUSTMENT OF THE)
WHOLESALE WATER SERVICE RATES OF) CASE NO.
THE CITY OF WILLIAMSBURG) 2003-00413

O R D E R

On October 31, 2003, the city of Williamsburg filed with the Commission a notice of its intent to increase its wholesale purchase price of water to Cumberland Falls Highway Water District and Whitley County Water District #1. Both water districts were made parties herein by intervention. On November 13, 2003, the Commission issued its Order suspending Williamsburg's proposed wholesale water rate. An informal conference was conducted and the procedural order was issued on February 6, 2004.

A joint motion was filed by the parties on February 26, 2004, requesting the Commission to suspend all proceedings herein for the period of 90 days. During the suspension period, the city of Williamsburg will have 60 days in which to prepare and distribute a cost-of-service study. The Commission shall be served a copy of said study. Both districts shall have 30 days in which to review the study. At the 91st day, the procedural schedule will reactivate, and deadlines shall be followed proportionately as set, unless otherwise ordered by the Commission. The parties are urged to expedite matters during the suspension period and to resolve any disputes by way of agreement or be prepared to move forward to hearing.

The Commission being otherwise sufficiently advised, IT IS HEREBY ORDERED that:

1. All proceedings herein, specifically the procedural Order issued on February 6, 2004, shall be suspended for a period of 90 days from the date of this Order.

2. Pursuant to the agreement by the parties, the city of Williamsburg shall cause a cost-of-service study to be conducted within the first 60 days of the suspension period and then distributed to the parties herein and the Commission.

3. The Cumberland Falls Highway Water District and Whitley County Water District #1 shall have 30 days to review the cost-of-service study.

4. Each of the parties shall file with the Commission a written status report at each 30-day increment. The report shall specifically state what efforts and results the parties have made toward arriving at an agreed-upon wholesale water price. If no agreement is reached, specifically state the reasons therefore.

5. No wholesale rate shall take effect during the 90-day suspension period, except and until the Commission is given 30 days' written notice during which time the Commission can duly notice and conduct a public hearing in the matter.

Done at Frankfort, Kentucky, this 2nd day of March, 2004.

By the Commission

ATTEST:


Executive Director