

COMMONWEALTH OF KENTUCKY
BEFORE THE PUBLIC SERVICE COMMISSION

In the Matter of:

APPLICATION OF FARMDALE DEVELOPMENT)	
CORPORATION FOR AN ADJUSTMENT IN)	
RATES PURSUANT TO THE ALTERNATIVE)	CASE NO. 2007-00436
RATE FILING PROCEDURE FOR SMALL)	
UTILITIES)	

ORDER

On April 16, 2008, the applicant, Farmdale Development Corporation ("Farmdale"), moved to have a formal hearing in this matter. On February 11, 2008, the Commission, by Order, published the report by Commission Staff which outlined adjustments and recommendations to Farmdale's proposed rates and revenue requirements based on an evaluation of the operating revenues and expenses for the test period. On February 22, 2008, Farmdale submitted its response to the report by Commission Staff, in which it objected to most of the recommendations contained therein. Those objections were reiterated within Farmdale's motion for a formal hearing.

The Commission finds that Farmdale's motion for a formal hearing should be granted. The Commission shall establish a procedural schedule, attached hereto as Appendix A. All witness summaries shall be sworn and shall include details on the professional background of the witness and the scope of the witness's professional relationship to the sponsoring party. Modifications to this schedule may occur but only upon Order by the Commission.

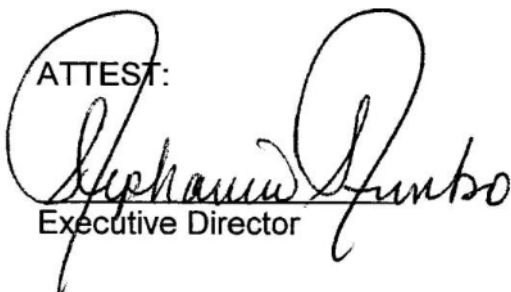
IT IS HEREBY ORDERED that:

1. Farmdale's motion for a formal hearing is granted.
2. All parties shall follow the procedural schedule set forth in Appendix A.
3. Motions for extensions of time with respect to the schedule herein shall be made in writing and will be granted only upon a showing of good cause.
4. All documents that this Order requires to be filed with the Commission shall be served upon all other parties.
5. Service of any document or pleading shall be made in accordance with Administrative Regulation 807 KAR 5:001, Section 3(7), and Kentucky Civil Rule 5.02.
6. Nothing contained herein shall prevent the Commission from entering further Orders in this matter.

Done at Frankfort, Kentucky, this 14th day of May, 2008.

By the Commission

ATTEST:


Executive Director

APPENDIX A

APPENDIX TO AN ORDER OF THE KENTUCKY PUBLIC SERVICE
COMMISSION IN CASE NO. 2007-00436 DATED MAY 14, 2008

Farmdale's summary of direct witness testimonies shall be filed with
the Commission and served on all parties no later than..... 05/30/08

Intervenors and Commission Staff's summaries
of rebuttal witness testimonies shall be filed with the
Commission and served on all parties no later than..... 06/13/08

Formal hearing to be held at 10:00 a.m., Eastern Daylight Time,
in Hearing Room 1 of the Commission's offices at 211 Sower
Boulevard, Frankfort, Kentucky 06/24/08 and 06/25/08

Post-hearing briefs, if any, shall be filed with the Commission and
served on all parties no later than 07/11/08