



Public Service Commission

-M-E-M-O-R-A-N-D-U-M-

DATE: February 25, 1999
TO: Susan F. Clark, Commissioner
FROM: Tim Vaccaro, Senior Attorney
RE: Docket No. 960444-WU - Application for rate increase and for increase in service availability charges in Lake County by Lake Utility Services, Inc.

On May 30, 1997, Lake Utility Services, Inc. (LUSI) filed a Petition on Proposed Agency Action (PAA), protesting PAA Order No. PSC-97-0531-FOF-WU. The matter was set for hearing but continued pending settlement negotiations between LUSI and the Office of Public Counsel (OPC). By PAA Order No. PSC-98-0683-AS-WU, issued May 18, 1998, the Commission approved a settlement offer made by LUSI. OPC did not support the settlement offer and protested the Commission's order.

On August 31, 1998, a Prehearing Conference was held in this matter. However, the Prehearing Conference was continued pending Commission review of LUSI's notice of withdrawal of its settlement offer and its protest of PAA, filed on August 27, 1998. By Order No. PSC-98-1582-PCO-WU, the Commission rejected LUSI's notice of withdrawal, and this matter was rescheduled for hearing. On February 2, 1999, OPC filed a motion to dismiss LUSI's application for increased rates and service availability charges. On February 16, 1999, the Commission rejected OPC's motion.

Subsequently, LUSI and OPC entered negotiations which have resulted in a settlement agreement. As a result, there is no longer a need to go forward with a hearing in this docket. Therefore, please ask the Chairman to perform the following:

- 1) Cancel the Prehearing Conference scheduled for March 2, 1999; and
2) Cancel the Hearing scheduled for March 10-11, 1999.

I have attached a memo from you to the Chairman in this regard. Thank you.

ACK
AFA
APP
CAF
CMU
CTR
EAC
LF
LH
C
RC
SE
WAS
OTH

cc: Division of Water & Wastewater (Willis, Merchant, Rendell, Fletcher, Binford)
Division of Records and Reporting
Blanca Bayo, Division of Records and Reporting

DOCUMENT NUMBER-DATE

02532 FEB 26 99

FPSC-RECORDS/REPORTING