COMMONWEALTH OF KENTUCKY BEFORE THE PUBLIC SERVICE COMMISSION

In the Matter of:

APPLICATION OF MOUNTAIN WATER) CASE NO.
DISTRICT FOR AN ADJUSTMENT OF) 2014-00342
WATER AND SEWER RATES)

ORDER

Mountain Water District ("Mountain Water") has requested a deviation from 807 KAR 5:001, Section 17(2)(a), which requires a sewer utility to mail written notice of a proposed rate increase to each individual customer. Mountain Water states that as it has 2,400 sewer customers, it would be more cost-effective to provide notice through newspaper publication contemporaneously with publishing notice of the proposed increase in water rates. It states that providing a single notice of the increase in both water and sewer rates would limit customer confusion as to the proposed rate increases.

Mountain Water further states that KRS 278.185 was repealed by the General Assembly in the 2014 session, and thus no longer requires individual written notice of a change in sewer rates. Similarly, it notes that a proposed revision to the regulation, eliminating the written notice requirement, is pending before the Legislative Administrative Regulation Review Committee.

Finding that Mountain Water has demonstrated good cause to permit a deviation from the notice requirement, the Commission HEREBY ORDERS that:

- 1. Mountain Water's motion for a deviation for 807 KAR 5:001, Section 17(2)(a), is granted.
- 2. Mountain Water is authorized to provide notice of the proposed rate increase to its sewer customers in accordance with 807 KAR 5:001, Section 17(2)(b).

By the Commission

ENTERED

OCT 1 6 2014

KENTUCKY PUBLIC SERVICE COMMISSION

ATTEST;

Executive Director

Honorable John N Hughes Attorney at Law 124 West Todd Street Frankfort, KENTUCKY 40601

Daniel P Stratton Stratton Law Firm PSC P.O. Box 1530 Pikeville, KENTUCKY 41502