

COMMONWEALTH OF KENTUCKY  
BEFORE THE PUBLIC SERVICE COMMISSION

In the Matter of:

THE APPLICATION OF WHITLEY COUNTY WATER )  
DISTRICT FOR A RATE ADJUSTMENT PURSUANT ) CASE NO.  
TO THE ALTERNATIVE RATE FILING PROCEDURE ) 10235  
FOR SMALL UTILITIES )

O R D E R

On April 27, 1988, Whitley County Water District No. 1 ("Whitley County") filed an application for a general rate increase pursuant to 807 KAR 5:076. As Whitley County does not meet the general requirements of 807 KAR 5:076, it has requested that the Commission deviate from the requirements of this regulation and accept its filing.<sup>1</sup> Whitley County cites its "extreme need of additional revenues and the time required in filing a regular rate application" as justification for the Commission deviating from its regulation.

The Commission notes that Whitley County has recently experienced some financial difficulties. Because of its continued failure to meet the interest and principal payment obligations on

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<sup>1</sup> 807 KAR 5:076 limits application of the Alternate Rate Adjustment Procedure to utilities with 400 or fewer customer billings or \$200,000 or less of gross annual revenues. Whitley County has gross annual revenues of \$228,000 and 1,090 customers.

its revenue bonds, a United States District Court Judge on March 31, 1986, appointed a receiver to operate the water district. The water district remains under the control of this receiver. The Commission further notes that the procedure under Commission Regulation 807 KAR 5:076 minimizes the necessity for formal hearings in most cases, reduces filing requirements, and shortens the time period between application and Commission Order. In view of Whitley County's financial problems, the Commission finds that the alternative rate filing procedures would be appropriate in this case.

IT IS THEREFORE ORDERED that Whitley County's application be, and it hereby is, accepted. IT IS FURTHER ORDERED that Whitley County's application be considered pursuant to the provisions of 807 KAR 5:076.

Done at Frankfort, Kentucky this 6th day of May, 1988.

PUBLIC SERVICE COMMISSION

  
For The Commission

ATTEST:

Executive Director