

COMMONWEALTH OF KENTUCKY
BEFORE THE PUBLIC SERVICE COMMISSION

In the Matter of:

THE APPLICATION OF PILOT OAK WATER SUPPLY)	
FOR RATE ADJUSTMENT PURSUANT)	CASE NO.
TO THE ALTERNATIVE RATE FILING PROCEDURE)	90-105
FOR SMALL UTILITIES)	

O R D E R

On April 17, 1990, Pilot Oak Water Supply ("Pilot Oak") filed its application for Commission approval of a proposed increase in its rates for water service. The proposed rates for water service would generate additional annual revenues of approximately \$5,741, an increase of 134 percent above test-year revenues.

Commission Staff, based upon a field review conducted in January 1990, issued its report on June 14, 1990, recommending the proposed rates be accepted. By letter dated June 14, 1990, Pilot Oak was advised to file comments on the Staff Report or request a hearing no later than June 29, 1990, or the case would stand submitted to the Commission for decision. Pilot Oak accepted the Staff Report by letter dated June 27, 1990. No request for a hearing was made.

The Commission, after considering the evidence of record and being otherwise sufficiently advised, finds:

1. The recommendations and findings contained in the Staff Report are supported by the evidence of record, are reasonable,

and are hereby adopted as the findings of the Commission in this proceeding and are incorporated by reference as if fully set out herein.

2. The rates in the Appendix, attached hereto and incorporated herein, are the fair, just, and reasonable rates for Pilot Oak and will produce gross annual revenues of \$10,015. These rates will allow Pilot Oak sufficient revenues to meet its operating expenses, and provide for future equity growth.

IT IS THEREFORE ORDERED that:


1. The rates proposed by Pilot Oak and contained in the Appendix are approved for service rendered by Pilot Oak on and after the date of this Order.

2. Within 30 days of the date of this Order, Pilot Oak shall file with the Commission its revised tariff setting out the rates approved herein.

Done at Frankfort, Kentucky, this 2nd day of August, 1990.

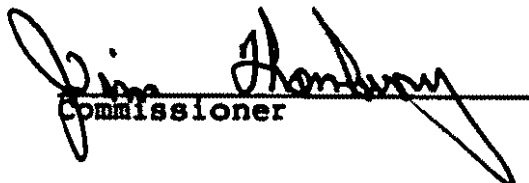
PUBLIC SERVICE COMMISSION


Chairman


Vice Chairman

ATTEST:


Executive Director


Commissioner

APPENDIX

**APPENDIX TO AN ORDER OF THE KENTUCKY PUBLIC SERVICE
COMMISSION IN CASE NO. 90-105 DATED 8/02/90**

The following rates and charges are prescribed for water service to customers of Pilot Oak Water Supply. All other rates and charges not specifically set forth herein shall remain the same as those in effect under authority of the Commission prior to the effective date of this Order.

<u>Customer Class</u>	<u>Rate</u>
Single-Family Residential	\$18.55
All Other Users	18.55