

COMMONWEALTH OF KENTUCKY  
BEFORE THE PUBLIC SERVICE COMMISSION

In the Matter of:

THE APPLICATION OF YORKTOWN SEWAGE	)	
TREATMENT FACILITIES, INC. FOR A	)	CASE NO.
RATE ADJUSTMENT PURSUANT TO THE	)	90-146
ALTERNATIVE RATE FILING PROCEDURE	)	
FOR SMALL UTILITIES	)	

O R D E R

On May 23, 1990, Yorktown Sewage Treatment Facilities, Inc. ("Yorktown") filed an application with the Commission seeking to increase its rates for sewer service pursuant to the Alternative Rate Filing Procedure for Small Utilities. The proposed rates were designed to generate approximately \$34,900 annually in additional revenues, an increase of 100 percent over test-year revenues of \$34,900. On June 7, 1990, Yorktown was notified by the Commission that its application was deficient in certain filing requirements. Yorktown cured these deficiencies and met minimum filing requirements on June 11, 1990. There were no requests for intervention in this proceeding.

In June of 1990, Commission Staff conducted a field review of Yorktown's test-year period financial records. Based upon this review, Commission Staff issued its report on August 14, 1990, recommending that Yorktown be authorized to increase its annual revenues by \$11,475.

By letter dated August 15, 1990, the Commission advised Yorktown that comments on the Staff Report or a request for a

public hearing must be submitted no later than August 30, 1990, or this case would stand submitted to the Commission for decision. On August 20, 1990, counsel for Yorktown filed a response accepting the recommendations of the Staff Report.

The Commission, having considered the evidence of record and being otherwise sufficiently advised, finds that:

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 Appendix A, attached hereto and incorporated herein, are the fair, just, and reasonable rates for service provided by Yorktown and will produce annual revenues of \$46,375. These rates will allow Yorktown sufficient revenues to meet its operating expenses, service its debt, and provide for future equity growth.

3. The rates proposed by Yorktown would produce revenue increases which are unreasonable and thus inconsistent with KRS 278.030.

IT IS THEREFORE ORDERED that:

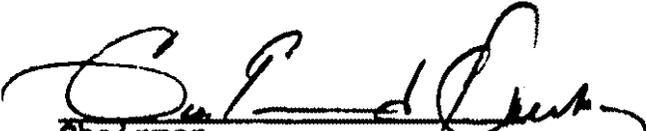
1. The rates proposed by Yorktown in its application are hereby denied.

2. The rates contained in Appendix A are approved for service rendered by Yorktown on and after the date of this Order.

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

Done at Frankfort, Kentucky, this 18th day of September, 1990.

PUBLIC SERVICE COMMISSION

  
Chairman

  
Vice Chairman

  
Commissioner

ATTEST:

  
Executive Director

APPENDIX A

APPENDIX TO AN ORDER OF THE KENTUCKY PUBLIC SERVICE  
COMMISSION IN CASE NO. 90-146 DATED September 18, 1990.

The following rates and charges are prescribed for sewage service to customers of Yorktown Sewage Treatment Facilities, Inc. 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>
Apartments	\$ 5.14 per unit
Residential	7.50
Commercial	16.20