

COMMONWEALTH OF KENTUCKY  
BEFORE THE PUBLIC SERVICE COMMISSION

In the Matter of:

APPLICATION OF HENRY COUNTY )  
WATER DISTRICT NO. 2 TO INCREASE ) CASE NO. 96-567  
ITS NONRECURRING CHARGES )

O R D E R

On November 22, 1996, Henry County Water District No. 2 ("Henry County") applied for authority to increase the following nonrecurring service charges: a new meter installation fee from \$350 to \$575, a service charge for reading meter from \$10 to \$25, collection of delinquent accounts from \$10 to \$25, a service charge for returned checks from \$5 to \$25. Henry County also proposed a new tariff to establish a \$50 fine for either tampering with a meter lock or using a jumper connection to facilitate the theft of water. In addition, Henry County proposed a new rule that requires payment by cash, money order, or certified check from any customer who writes three cold checks for water service within six months.

Henry County has provided adequate cost support to demonstrate that the requested increases in the nonrecurring charges are justified. The proposed charges set forth in Appendix A, attached hereto, are equal to the expenses incurred to provide the associated service and should be approved as reasonable. However, no cost justification was filed to support the establishment of a fine for meter tampering or jumper connection used. The activities that would trigger this tariff are criminal in nature and

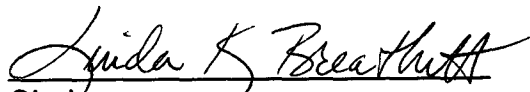
the penalty, if any, should be imposed by a court, not the Commission. The three cold-check limit should be unnecessary now that the charge for a returned check has been increased to \$25.


IT IS THEREFORE ORDERED that:

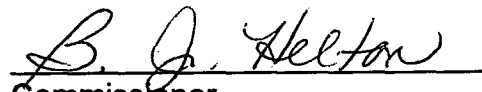
1. Henry County's proposed tariffs to prohibit in limited circumstances the payment by check and establish a fine for using a jumper or tampering with a meter lock is denied.
2. The charges in Appendix A are approved for service rendered on and after the date of this Order.
3. Within 30 days, Henry County shall file its revised tariff sheets setting out the charges approved in this Order.

Done at Frankfort, Kentucky, this 3rd day of February, 1997.

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. 96-567 DATED FEBRUARY 3, 1997

The following rates and charges are prescribed for the customers of the area served by Henry County Water District No. 2. All other rates and charges not specifically mentioned herein shall remain the same as those in effect under authority of this Commission prior to the effective date of this Order.

RATES:

5/8 Inch Meter Installation	\$575.00
Meter Reading	25.00
Collection of Delinquent Accounts	25.00
Return Check Charge	25.00