

COMMONWEALTH OF KENTUCKY  
BEFORE THE PUBLIC SERVICE COMMISSION

In the Matter of:

THE APPLICATION OF OVERLAND DEVELOPMENT )  
INC. FOR AN ADJUSTMENT OF RATES PURSUANT ) CASE NO.  
TO THE ALTERNATIVE RATE FILING PROCEDURE ) 97-170  
FOR SMALL UTILITIES )

O R D E R

On March 3, 1997, Overland Development, Inc. ("Overland") submitted an application for an increase in water rates pursuant to 807 KAR 5:076, the Alternative Rate Adjustment Procedure for Small Utilities. However, due to filing deficiencies, Overland's application was not considered filed until May 9, 1997.

Overland's proposed rates produce additional annual water revenue of \$3,572,<sup>1</sup> an increase of 11 percent over Commission Staff's ("Staff's") normalized test period water revenue of \$32,879. Staff conducted a limited review of Overland's test-period financial records and issued its report on October 31, 1997, which recommended the Commission grant Overland's requested increase in annual water revenue of \$3,572.

In its October 31, 1997 Order, the Commission requested that all parties submit written comments on the Staff Report within 10 days from the date of the Order or 90 days from the date the application was filed, whichever is later. Overland did not file a

---

<sup>1</sup> Revenue Requirement Proposed	\$ 36,451
Less: Staff's Normalized Revenue	- 32,879
Overland's Requested Increase	<u>\$ 3,572</u>

response to the Staff Report recommendations within the prescribed comment period; therefore, the case is submitted to the Commission for a decision.

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

1. The recommendations and findings contained in the Staff Report are adopted as the Commission's findings and incorporated by reference as if fully set out herein.

2. The rates in Appendix A will produce gross annual water revenue of \$36,451 and are the fair, just, and reasonable rates for Overland. These rates will allow Overland sufficient revenues to meet its operating expenses, and provide for future equity growth, including provisions for servicing its debt.

IT IS THEREFORE ORDERED that:

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

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

Done at Frankfort, Kentucky, this 7th day of January, 1998.

PUBLIC SERVICE COMMISSION

B. J. Helton  
Chairman

E. D. [Signature]  
Vice Chairman

Gay W. [Signature]  
Commissioner

ATTEST:

Helen C. [Signature]  
Executive Director

APPENDIX A

APPENDIX TO AN ORDER OF THE KENTUCKY PUBLIC SERVICE COMMISSION IN CASE NO. 97-170 DATED JANUARY 7, 1998

The following rates and charges are prescribed for the customers in the area served by Overland Development, 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.

Monthly Rates

First	2,000 gallons	\$16.00 Minimum Bill
Next	8,000 gallons	5.70 per 1,000 gallons
Next	20,000 gallons	4.20 per 1,000 gallons
Next	20,000 gallons	3.41 per 1,000 gallons
Over	50,000 gallons	2.65 per 1,000 gallons