

COMMONWEALTH OF KENTUCKY
BEFORE THE PUBLIC SERVICE COMMISSION

In the Matter of:

THE APPLICATION OF CAWOOD WATER)
DISTRICT FOR AN ADJUSTMENT OF RATES) CASE NO.
PURSUANT TO THE ALTERNATIVE RATE) 99-362
FILING PROCEDURE FOR SMALL UTILITIES)

ORDER

On October 1, 1999, Cawood Water District ("Cawood") filed an application for Commission approval of proposed rates. The proposed rates for water service would generate additional annual revenues of \$30,191, an increase of 11.28 percent above normalized operating revenues.

By Order dated January 11, 2000, the Commission issued a Staff Report that was prepared upon review of Cawood's test-year operations. Staff's report recommended that Cawood's requested increase be granted. The Order granted 10 days to file written comments regarding the Staff Report or requests for a hearing or informal conference. No such comments or requests were made.

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 should be adopted as the findings of the Commission.

2. The rates in Appendix A will produce annual revenue from water sales of \$297,944.

IT IS THEREFORE ORDERED that:

1. The findings contained in the Staff Report are adopted and incorporated by reference into this Order as if fully set out herein.
2. The rates in Appendix A are approved for service rendered by Cawood on and after the date of this Order.
3. Within 30 days of the date of this Order, Cawood shall file with the Commission its revised tariff setting out the rates approved herein.
4. Three years from the date of this Order Cawood shall file an income statement, along with any pro forma adjustments, in sufficient detail to demonstrate that the rates approved herein are sufficient to meet its operating expenses and annual debt service requirements.

Done at Frankfort, Kentucky, this 21st day of February, 2000.

By the Commission

ATTEST:

Executive Director

APPENDIX A

APPENDIX TO AN ORDER OF THE KENTUCKY PUBLIC SERVICE COMMISSION IN CASE NO. 99-362 DATED FEBRUARY 21, 2000

The following rates and charges are prescribed for the customers in the area served by Cawood Water District. All other rates and charges not specifically mentioned herein shall remain the same as those in effect under authority of the Commission prior to the effective date of this Order.

Monthly Water Rates

First	2,000 gallons	\$16.45	Minimum bill
Next	8,000 gallons	5.54	per 1,000 gallons
Over	10,000 gallons	3.94	per 1,000 gallons