COMMONWEALTH OF KENTUCKY

BEFORE THE PUBLIC SERVICE COMMISSION

In the Matter of:

THE APPLICATION OF GREEN HILLS WATER

DISTRICT FOR A RATE ADJUSTMENT PURSUANT)

TO THE ALTERNATIVE RATE FILING PROCEDURE)

FOR SMALL UTILITIES

CASE NO.
2003-00049

ORDER

On February 10, 2003, Green Hills Water District (Green Hills) filed its application for Commission approval of its proposed water rates. The proposed rates would generate additional annual revenues of \$41,144, an increase of 27.25 percent above normalized operating revenues.

By Order dated March 25, 2003, the Commission issued a Staff Report that was prepared upon review of Green Hills test-year operations. Staff's report recommended that the 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 service of \$192,135.

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 Green Hills

on and after the date of this Order.

3. Within 30 days of the date of this Order, Green Hills shall file with the

Commission its revised tariff setting out the rates approved herein.

4. Three years from the effective date of this Order, Green Hills 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 14th day of April, 2003.

By the Commission

ATTEST:

Executive Director

APPENDIX A

APPENDIX TO AN ORDER OF THE KENTUCKY PUBLIC SERVICE COMMISSION IN CASE NO. 2003-00049 DATED April 14, 2003

The following rates and charges are prescribed for the customers in the area served by Green Hills 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	\$21.56 minimum bill
Next	6,000 gallons	8.04 per 1,000 gallons
All over	8,000 gallons	6.48 per 1,000 gallons