

COMMONWEALTH OF KENTUCKY
BEFORE THE PUBLIC SERVICE COMMISSION

In the Matter of:

THE APPLICATION OF THE NORTH)	
MARSHALL WATER DISTRICT FOR)	CASE NO.
APPROVAL OF A PROPOSED INCREASE)	2004-00028
IN RATES FOR WATER SERVICE)	

O R D E R

On January 27, 2004, North Marshall Water District (“North Marshall”) filed its application for Commission approval of its proposed water rates. North Marshall proposed to increase its rates to produce additional revenues of \$146,051, an increase of 15.24 percent over normalized revenues from water sales of \$958,456. This proposal would increase North Marshall’s average monthly bill for 5,000 gallons of usage from \$19.01 to \$21.89, an increase of 15.1 percent.

By Order dated April 1, 2004, the Commission issued a Staff Report that was prepared upon review of North Marshall’s test-year operations. Staff’s report recommended that an increase of \$140,522, or 14.66 percent, be granted. The Order granted the parties 10 days to file written comments regarding the Staff Report or requests for a hearing or informal conference. No such comments or requests were received.

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 \$1,098,978.

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 North Marshall on and after the date of this Order.

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

4. Three years from the effective date of this Order, North Marshall 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 20th day of April, 2004.

By the Commission

ATTEST:


Executive Director

APPENDIX A

APPENDIX TO AN ORDER OF THE KENTUCKY PUBLIC SERVICE COMMISSION IN CASE NO. 2003-00028 DATED April, 20, 2004

The following rates and charges are prescribed for the customers in the area served by North Marshall 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

Customer Charge:

5/8" X 3/4" Meter	\$10.78
1" Meter	17.03
1 1/2" Meter	27.46
2" Meter	39.99
3" Meter	69.19
4" Meter	110.93
6" Meter	215.25

All Water Usage:

\$2.20 per 1,000 gallons