

COMMONWEALTH OF KENTUCKY  
BEFORE THE PUBLIC SERVICE COMMISSION

In the Matter of:

THE TARIFF FILING OF HENRY COUNTY WATER	)	
DISTRICT NO. 2 TO ALLOW FOR THE ACCEPTANCE	)	CASE NO.
OF DEBIT AND CREDIT CARD PAYMENTS	)	2005-00047

O R D E R

On December 30, 2004, Henry County Water District No. 2 (“Henry County”) filed with the Commission proposed revisions to its tariff. The proposed tariff revision would permit Henry County to assess a fee of \$3.00 per transaction to customers who made payment by debit or credit card. The Commission suspended the proposed tariff revision on February 1, 2005 and on March 14, 2005 Commission Staff issued its first data request. On April 21, 2005, Henry County responded to the data request and Commission Staff subsequently issued its second data request on May 13, 2005. Henry County responded to the May 13, 2005 data request on June 2, 2005. In its response, Henry County proposed to amend the tariff revision to charge the customer a fee in the same amount as that charged to Henry County by the credit or debit card company processing the transaction rather than a flat fee of \$3.00. Henry County has provided sufficient evidence of the individual expenses incurred to provide the services associated with the proposed charge.

The Commission, having reviewed the record and being sufficiently advised, finds that:

1. The proposed charge is equal to the expenses incurred to provide the associated services.

2. The charge and policy set forth in the Appendix to this Order are fair, just, and reasonable and should be approved.

IT IS THEREFORE ORDERED that:

1. The charge and policy in the Appendix are approved for services rendered on and after the date of this Order.

2. Within 20 days of the date of this Order, Henry County shall file with the Commission a revised tariff sheet showing the charge and policy approved herein.

3. All revenues collected through this charge shall be recorded in a separate sub-account of account 471 – Miscellaneous Service Revenues.

4. All transaction fees paid by Henry County for credit and debit card transactions shall be recorded in a separate sub-account of account 636 – Contractual Services – Other.

Done at Frankfort, Kentucky, this 26<sup>th</sup> day of October, 2005.

By the Commission

ATTEST:



Executive Director

## APPENDIX A

### APPENDIX TO AN ORDER OF THE KENTUCKY PUBLIC SERVICE COMMISSION IN CASE NO. 2005-00047 DATED October 26, 2005

The following charge and policy are prescribed for the customers in the area served by Henry County Water District No. 2. All other rates, charges, and policies 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.

#### Credit/Debit Card Policy

Payments using Credit or Debit Card. All customers may pay their bill by credit or debit card. This method of payment may be made in person at the Henry County Water District No. 2's office or by telephone. If on the bill due date an attempt to pay by credit card or debit card is made and the card is declined for any reason, payment is still due in full on that date and will be considered late after that date. All late charges and penalties will be applied. If a customer is paying on our disconnect day and the card is denied, the same rules as above apply with the addition that his/her service may be disconnected.

When a customer makes payment by credit or debit card, the utility will assess a fee equal to that charged to the utility by the credit or debit card processing company to process the transaction. This fee is generally calculated using a formula applied to the balance of the amount charged to the credit or debit card account but may be a flat fee per transaction. Prior to processing the transaction, the customer will be informed of the

fee amount and, upon request by the customer, the formula employed to arrive at this fee amount.