COMMONWEALTH OF KENTUCKY

BEFORE THE PUBLIC SERVICE COMMISSION

In the Matter of:

THE APPLICATION OF THE PEAKS MILL)WATER DISTRICT FOR (1) A CERTIFICATE OF)PUBLIC CONVENIENCE AND NECESSITY TO)CONSTRUCT THE PROPOSED WATERWORKS)IMPROVEMENT PROJECT; (2) THE APPROVAL)CASE NO. 2006-00142OF THE PROPOSED PLAN TO FINANCE THE)WATERWORKS IMPROVEMENT PROJECT; AND)(3) THE APPROVAL OF THE PROPOSED)INCREASE IN RATES FOR WATER SERVICE)

<u>ORDER</u>

Peaks Mill Water District ("Peaks Mill") has moved for modification of the Commission's Order of June 28, 2006. In support of its motion, Peaks Mill states that due to the nature of its billing system, it is unable to implement the proposed water rates for service on and after June 28, 2006 without significant administrative burden and expense. It requests that the effective date of the proposed rates be amended to July 18, 2006 to coincide with its monthly billing period.

Having reviewed the motion and finding good cause to grant the motion, the

Commission HEREBY ORDERS that:

1. Peaks Mill's Motion to Modify is granted.

2. Ordering Paragraph 2 of our Order of June 28, 2006 is amended as follows:

Peaks Mill's proposed water rates, which are set forth in Appendix A, are approved for service rendered by Peaks Mill on and after July 18, 2006.

Done at Frankfort, Kentucky, this 17th day of July, 2006.

By the Commission

ATTEST:

Executive Director

Case No. 2006-00142