

COMMONWEALTH OF KENTUCKY
BEFORE THE PUBLIC SERVICE COMMISSION

In the Matter of:

APPLICATION OF DOWNSTREAM, INC. FOR)	
AN ADJUSTMENT OF RATES PURSUANT TO)	CASE NO.
THE ALTERNATIVE RATE FILING PROCEDURE)	2006-00195
FOR SMALL UTILITIES)	

ORDER

On May 10, 2006, Downstream, Inc. ("Downstream") filed its application for Commission approval of proposed rates for sewer service. The proposed rates for service would generate additional annual revenues of \$11,902, a 103 percent increase in normalized test year sales of \$11,554. The proposed rates would increase the monthly flat rate for sewer service from \$27.51 to \$55.85.

Upon request, intervention was granted to the Attorney General of the Commonwealth of Kentucky ("Attorney General") by Order dated May 25, 2006.

Commission Staff performed a limited financial review of Downstream's operations and prepared a Staff Report that was issued by Order dated August 16, 2006. Staff's report recommended that the Commission approve the rates requested in Downstream's application. The Order issuing the report granted all parties 10 days to comment or request an informal conference or hearing. To date, the Commission has not received any comments or requests.

The Commission, after considering the evidence of record and being otherwise sufficiently advised, finds that the rates proposed by Downstream and shown in this Order at Appendix A are fair, just, and reasonable.

IT IS THEREFORE ORDERED that:

1. The rates proposed by Downstream and contained in Appendix A of this Order are approved for service rendered by Downstream on and after the date of this Order.

2. Within 30 days of the date of this Order, Downstream shall file with the Commission its revised tariffs setting out the rates approved herein.

Done at Frankfort, Kentucky, this 22nd day of September, 2006.

By the Commission

ATTEST:


Executive Director

APPENDIX A

APPENDIX TO AN ORDER OF THE KENTUCKY PUBLIC SERVICE COMMISSION IN CASE NO. 2006-00195 DATED September 22, 2006

The following rates and charges are prescribed for the customers in the area served by Downstream, Inc. 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 Residential Sewer Charge	\$55.85
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