

COMMONWEALTH OF KENTUCKY
BEFORE THE PUBLIC SERVICE COMMISSION

In the Matter of:

APPLICATION OF CUNNINGHAM WATER)	CASE NO.
DISTRICT FOR AN ADJUSTMENT OF RATES)	2008-00505
PURSUANT TO THE ALTERNATIVE RATE)	
FILING PROCEDURE FOR SMALL UTILITIES)	

ORDER

On December 8, 2008, Cunningham Water District ("Cunningham") submitted its application requesting the Commission to approve its proposed increase in water rates. The proposed water rates will generate annual revenues of \$37,804, an increase of \$7,561 or 25 percent above normalized revenues of \$30,243.

Commission Staff performed a limited financial review of Cunningham's operations and, on June 3, 2009, issued a report containing its findings and recommendations regarding the proposed rates. In its report, Staff determined that Cunningham's proposed rates would allow Cunningham to meet its operating expenses and provide for equity growth. Therefore, Staff recommended that the rates proposed by Cunningham be approved.

All parties were directed to file written comments upon Staff's findings and recommendations or to request a conference or hearing no later than June 17, 2009. As of that date, no parties had submitted comments or objections or requested a hearing.

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 and are reasonable.

2. Cunningham's proposed water rates will produce annual revenues from sales of \$37,804.

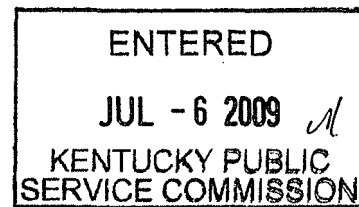
IT IS HEREBY ORDERED that:

1. The recommendations and findings contained in the Staff Report are adopted and incorporated by reference into this Order as if fully set out herein.


2. Cunningham's proposed water rates, which are set forth in the Appendix to this Order, are approved for service rendered by Cunningham on and after the date of this Order.

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

By the Commission



ATTEST:


Jeff Deraven
Executive Director

APPENDIX

APPENDIX TO AN ORDER OF THE KENTUCKY PUBLIC SERVICE COMMISSION IN CASE NO. 2008-00505 DATED JUL - 6 2009

The following rates are prescribed for the customers in the area served by the Cunningham 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.

RATES AND CHARGES

Monthly Rates:

First	2,000 gallons	\$ 12.48	Minimum bill
Next	3,000 gallons	3.55	per 1,000 gallons
Over	5,000 gallons	2.48	per 1,000 gallons

Denver Hammonds
Treasurer
Cunningham Water District
P. O. Box 662
Cunningham, KY 42035