COMMONWEALTH OF KENTUCKY

BEFORE THE PUBLIC SERVICE COMMISSION

In the Matter of:

APPLICATION OF SHARPSBURG WATER) CASE NO. DISTRICT FOR AN ADJUSTMENT OF WATER) 2010-00128 RATES)

<u>O R D E R</u>

On March 24, 2010, Sharpsburg Water District ("Sharpsburg") filed an application for an adjustment of water rates. In its filing, Sharpsburg requested permission to deviate from the filing requirement of 807 KAR 5:001, Section 8(2), which requires a utility to submit an original and ten copies of applications, and 807 KAR 5:001, Section 10(6)(g), which requires the utility to file an analysis of customers bills.

807 KAR 5:001, Section 14, provides the Commission with the authority to permit deviations from that regulation for good cause shown. In support of its request for permission to deviate from 807 KAR 5:001, Section 8(2), Sharpsburg states that a reduction of copies will reduce its costs. Sharpsburg has filed the original and four copies of the application, which the Commission finds to be sufficient for this specific case.

In support of its request for permission to deviate from 807 KAR 5:001, Section 10(6)(g), Sharpsburg states that the primary purpose of the billing analysis is to verify that a new rate design will produce the appropriate revenue requirement. Because Sharpsburg has not proposed a new rate design, it contends that production of a detailed billing analysis is unnecessary. Additionally, the billing analysis helps to verify

the accuracy of the test-year reported revenues. Sharpsburg provided additional information to demonstrate that the test-year billings are appropriately stated for rate-making purposes.

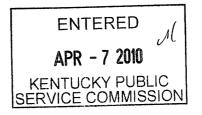
Having reviewed the filing and being otherwise sufficiently advised, the Commission finds that Sharpsburg has demonstrated good cause to deviate from the filing requirements of 807 KAR 5:001, Section 8(2), and 807 KAR 5:001, Section 10(6)(g).

IT IS THEREFORE ORDERED that:

1. Sharpsburg's request for deviation from the filing requirements of 807 KAR 5:001, Section 8(2), and 807 KAR 5:001, Section 10(6)(g), is granted.

2. The case shall be deemed filed as of March 24, 2010.

By the Commission



ATTEST:

Ms. Gayle Haney Manager/Distribution Operator Sharpsburg Water District 667 Main St, Suite 2 P. O. Box 248 Sharpsburg, KY 40374