

COMMONWEALTH OF KENTUCKY
BEFORE THE PUBLIC SERVICE COMMISSION

In the Matter of:

APPLICATION FOR ADJUSTMENT OF WATER)	CASE NO.
RATES FOR MUHLENBERG COUNTY WATER)	2010-00359
DISTRICT #3)	

ORDER

On September 23, 2010, Muhlenberg County Water District #3 ("Muhlenberg") filed its application for an increase in its general rates of \$45,122, an increase of 5.05 percent over adjusted test-period revenues of \$922,703. The proposed rates would decrease the monthly bill of a customer using 5,000 gallons of water from \$25.26 to \$25.04, a \$0.22 decrease. The decrease is due to the allocation of expenses in the cost-of-service study and the usage pattern of Muhlenberg's customers.

Commission Staff performed a limited financial review of Muhlenberg's operations and prepared a Staff Report that was issued by Order dated December 14, 2010. Staff's report recommended that the Commission approve the rates requested in Muhlenberg's application. The Commission has not received any comments or requests from the parties as of this date.

The Commission, after considering the evidence of record and being otherwise sufficiently advised, finds that the rates proposed by Muhlenberg and attached as the Appendix to this Order are fair, just and reasonable.

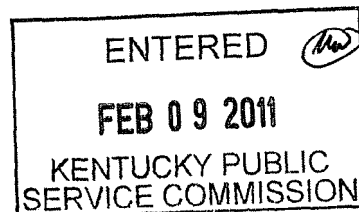
IT IS THEREFORE ORDERED that:

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

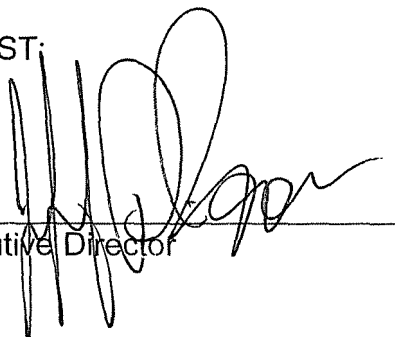
2. The rates proposed by Muhlenberg and set forth in the Appendix to this Order are approved for service rendered by Muhlenberg on and after the date of this Order.

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

By the Commission



ATTEST:



Executive Director

APPENDIX

APPENDIX TO AN ORDER OF THE KENTUCKY PUBLIC SERVICE
COMMISSION IN CASE NO. 2010-00359 DATED FEB 09 2011

The following rates and charges are prescribed for the customers in the area served by Muhlenberg County Water District #3. 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 WATER RATES

All Meter Sizes

First	2,000 gallons	\$ 13.73	Minimum bill
Next	8,000 gallons	3.77	per 1,000 gallons
Next	10,000 gallons	3.51	per 1,000 gallons
Next	30,000 gallons	3.18	per 1,000 gallons
Over	50,000 gallons	2.92	per 1,000 gallons

Chester Lear
Superintendent
Muhlenberg County Water District #3
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