

COMMONWEALTH OF KENTUCKY
BEFORE THE PUBLIC SERVICE COMMISSION

In the Matter of:

APPLICATION OF EVERGREEN)	
SEWAGE DISPOSAL, INC. FOR AN)	
ADJUSTMENT OF RATES PURSUANT)	CASE NO. 2005-00431
TO THE ALTERNATIVE RATE FILING)	
PROCEDURE FOR SMALL UTILITIES)	

ORDER

On October 19, 2005, Evergreen Sewage Disposal, Inc. ("Evergreen") filed its application for Commission approval of proposed sewer rates. The current monthly flat rate for Evergreen is \$22.55. Evergreen proposed to increase this rate by 55.21 percent to \$35. Evergreen states that the proposed rate would generate annual revenues of \$15,120.

Upon request, intervention was granted to the Attorney General of the Commonwealth of Kentucky ("Attorney General") by Order dated November 10, 2005.

Commission Staff performed a limited financial review of Evergreen's operations and prepared a Staff Report that was issued by Order dated February 15, 2006. In its report Staff recommended that the Commission approve a flat monthly rate of \$27.47, a 21.8 percent increase in Evergreen's current rate. Staff determined that this rate would result in annual revenues of \$13,183. The Order issuing the report granted all parties 10 days to comment or request an informal conference or hearing. 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 Evergreen are excessive and

should be denied and that the rates recommended by Staff and shown in this Order at Appendix A should be approved. The rates in Appendix A will produce annual revenues from sewer service of \$13,183 and are fair, just, and reasonable.

IT IS THEREFORE ORDERED that:

1. The rates proposed by Evergreen are denied.
2. The rates recommended by Staff and contained in Appendix A of this Order are approved for service rendered by Evergreen on and after the date of this Order.
3. Within 30 days of the date of this Order, Evergreen shall file with the Commission its revised tariffs setting out the rates approved herein.

Done at Frankfort, Kentucky, this 14th day of March, 2006.

By Commission

ATTEST:



Executive Director

APPENDIX A

APPENDIX TO AN ORDER OF THE KENTUCKY PUBLIC SERVICE
COMMISSION IN CASE NO. 2005-00431 DATED March 14, 2006.

The following rates and charges are prescribed for the customers in the area serviced by Evergreen Sewage Disposal, 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 Flat Rate per Residential Customer

\$27.47