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Meade County Water District
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July 6, 2006

CERTIFICATE OF SERVICE

RE: Case No. 2006-00322
Meade County Water District

I, Beth O'Donnell, Executive Director of the Public Service Commission, hereby certify that the enclosed attested copy of the Commission's Order in the above case was served upon the addressee by U.S. Mail on July 6, 2006.

Executive Director

BOD/sh
Enclosure

COMMONWEALTH OF KENTUCKY
BEFORE THE PUBLIC SERVICE COMMISSION

In the Matter of:

APPLICATION OF MEADE COUNTY)	
WATER DISTRICT TO PROVIDE)	CASE NO. 2006-00322
FREE WATER SERVICE TO THE CITY)	
PARK IN EKRON, KENTUCKY)	

O R D E R

On June 26, 2006,¹ Meade County Water District ("Meade") requested Commission approval to waive its tariffed tapping fee of \$500 to set a water meter for a city park owned by the city of Ekron, Kentucky ("Ekron"). Meade wishes to grant this free service to Ekron pursuant to KRS 278.170. At issue is the nature of the beneficiary class and whether the provision of such service is reasonable and appropriate. We find that it is not appropriate and we will deny the request.

Meade, a water district organized under the provisions of KRS Chapter 74, owns and operates facilities that provide water service to 3,383 metered customers in Meade County, Kentucky.² In support of its application, Meade states that Ekron is in its service area and that a water main passes near the park. Ekron would pay for the monthly water service.

Upon reviewing the record, the Commission finds the subject matter of this case to be a request to grant a free water meter tap pursuant to KRS 278.170(2). KRS 278.170(2) provides:

¹ Letter from Joe Bartley, General Manager of Meade, to Public Service Commission.

² Annual Report of Meade County Water District to the Kentucky Public Service Commission for the year ending December 31, 2005 at 5 and 27.

Any utility may grant free or reduced rate service to its officers, agents or employees, and may exchange free or reduced rate service with other utilities for the benefit of the officers, agents and employees of both utilities. Any utility may grant free or reduced rate service to the United States, to charitable and eleemosynary institutions, and to persons engaged in charitable and eleemosynary work, and may grant free or reduced rate service for the purpose of providing relief in case of flood, epidemic, pestilence or other calamity. The terms "officers" and "employees," as used in this subsection, include furloughed, pensioned and superannuated officers and employees, and persons who have become disabled or infirm in the service of the utility. Notice must be given to the commission and its agreement obtained for such reduced rate service except in case of an emergency, in which case the commission shall be notified at least five (5) days after the service is rendered.

Based upon our review of the record, we find that Meade has not demonstrated that Ekron is eligible for free service. Ekron is a city of the sixth class.³ It is not a utility, an agency of the United States, or a charitable or eleemosynary institution. Nothing in Meade's application suggests that the free service is intended to provide relief from flood, epidemic, pestilence, or other calamity. As Ekron is not a member of any group eligible for free or reduced rate service, the Commission lacks the authority to authorize the requested service. The statute sets out to whom a utility may grant free or reduced-rate service. Any request for free service other than that contained in KRS 278.170(2) must be denied.⁴

³ See KRS 81.010(6). See also Kentucky Secretary of State Web page under "Land Office."

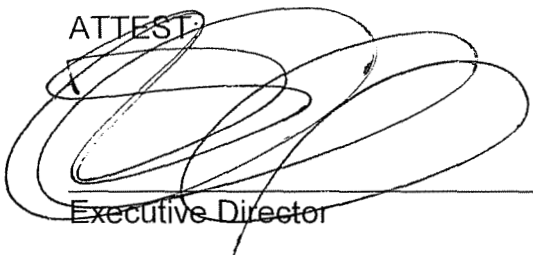
⁴ Case No. 2005-00435, Request of Muhlenberg County Water District No. 3 to Provide Free Water to City of Bremen Building (Order dated March 8, 2006).

IT IS THEREFORE ORDERED that Meade's request for authority to provide a free meter tap to Ekron is denied.

Done at Frankfort, Kentucky, this 6th day of July, 2006.

By the Commission

ATTEST

A large, stylized handwritten signature in black ink, consisting of several overlapping loops and a long horizontal stroke at the bottom.

Executive Director