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January 30, 2008

Sue Reed
Cannonsburg Water District
1606 Cannonsburg Road
Ashland, KY 41102

RE: Case No 2008-00034
Filing Deficiencies

The Commission staff has reviewed your application in the above case. This filing is rejected for the reasons set forth below.

1. Filing deficiencies pursuant to 807 KAR 5:001:

807 KAR 5:001: Section 8(1) All applications must be by petition in writing. The petition must set forth the full name and post office address of applicant and must contain fully the facts on which the application is based, with a request for the order, authorization, permission or certificate desired and a reference to the particular provision of law requiring or providing for same.

807 KAR 5:001: Section 8(2) At the time the original application is filed, ten (10) additional copies must also be filed; and where parties interested in the subject matter of the application are named therein, there shall be filed an additional copy for each named party and such other additional copies as may be required by the Secretary.

807 KAR 5:001: Section 8(3) If applicant is a corporation, a certified copy of its Articles of Incorporation and all amendments thereto, if any, shall be annexed to the application. If applicant's Articles of Incorporation and amendments thereto, if any, have already been filed with the Commission in some prior proceeding, it will be sufficient if this fact is stated in the application and reference is made to the style and case number of the prior proceeding.

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2. Filing deficiencies pursuant to 807 KAR 5:011:

807 KAR 5:011: Section 10(1)(b) Statement by utility confirming that copy of filing was simultaneously sent to the Attorney General (Attorney General has 10 days to notify PSC if he requests a hearing.)

807 KAR 5:011: Section 10(1)(c) Statement explaining why proposed changes could not have been included in last rate case and why current conditions prevent deferring change until next rate case.

807 KAR 5:011: Section 10(1)(d) Impact statement identifying group of customers (both existing and potential) affected by proposed change.

807 KAR 5:011: Section 10(2) If the additional revenue to be generated from the proposed tariff revisions exceeds by five (5) percent the total revenues provided by all miscellaneous and non-recurring charges for a recent twelve (12) month period, the utility must file, in addition to the information set out in subsection (1)(a) of this section, the following: An absorption test showing that the additional net income generated by the tariff filing will not result in an increase in the rate of return (or other applicable valuation methods) to a level greater than that allowed in the most recent rate case. Any general rate increases received during the twelve (12) month period must be annualized. Any significant cost changes may be included but must be documented as part of the filing.

807 KAR 5:011: Section 8 If copy of public notice is included, did it meet requirements? (For sewers, direct mailing is required. See KRS 278.185)

807 KAR 5:011: Section 8, 9(2) Is copy of public notice included?

The statutory time period in which the Commission must process this case will not commence until the above-mentioned information is filed with the Commission. If your filing contains a proposed effective date, the rejection of your filing for reasons of deficiencies voids that proposed effective date. When you file the required information to correct the deficiencies, you may refile your proposed tariff with a new proposed effective date that is at least 30 days from the date you file the required information. You are requested to file 10 copies of this information within 15 days of date of this letter. If you need further assistance, please contact Jason Green at 502/564-3940 ext. 470.

Sincerely,



Mike Burford
Director Division of Filings

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