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John W. Clay
Vice Chairman

Caroline Pitt Clark
Commissioner

May 23, 2008

CERTIFICATE OF SERVICE

RE: Case No. 2008-00165
Muhlenberg County Water District #3

I, Stephanie Stumbo, 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 May 23, 2008.

Executive Director

SS/rs
Enclosure

COMMONWEALTH OF KENTUCKY
BEFORE THE PUBLIC SERVICE COMMISSION

In the Matter of:

THE APPLICATION OF MUHLENBERG)
COUNTY WATER DISTRICT NO. 3 TO) CASE NO. 2008-00165
ADD CERTAIN NON-RECURRING)
CHARGES)

O R D E R

On May 5, 2008, Muhlenberg County Water District No. 3 ("Muhlenberg") applied for authority to establish a non-recurring charge to recover processing fees associated with payment by credit card and to establish rules regarding the use of credit or debit cards for bill payment.

The Commission, having reviewed the record and being sufficiently advised, finds that:

1. The proposed charge is equal to the expenses incurred to provide the associated services.
2. The charge and rule set forth in the Appendix to this Order are fair, just, and reasonable and should be approved.

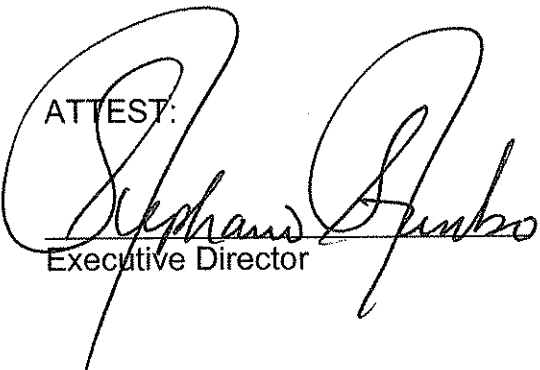
IT IS THEREFORE ORDERED that:

1. The charge in the Appendix is approved for services rendered on and after June 1, 2008.
2. Within 20 days of the date of this Order, Muhlenberg shall file with this Commission its revised tariff sheets setting out the rates approved herein.

Done at Frankfort, Kentucky, this 23rd day of May, 2008.

By the Commission

ATTEST:


Executive Director

Case No. 2008-00165

APPENDIX A

APPENDIX TO AN ORDER OF THE KENTUCKY PUBLIC SERVICE COMMISSION IN CASE NO. 2008-00165 DATED MAY 23, 2008

The following rates, charges, and policies are prescribed for the customers in the area served by Muhlenberg County Water District No. 3. All other rates, charges, and policies 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.

Non-Recurring Charges

Credit/Debit Card Policy

All customers may pay their bill by credit or debit card. This method of payment may be made in person at the utility office or by telephone.

If on the bill due date an attempt to pay the credit card or debit card is made and the card is declined for any reason, payment is still due in full on that date and will be considered late after that date. All late charges and penalties will be applied. If a customer is paying on our disconnect day and the card is declined, the same rules as above apply, in addition to his/her service being disconnected.

When a customer makes a payment by credit card, the utility will assess a fee equal to that charged to the utility by the credit or debit card processing company to process the transaction. This fee is generally calculated using a formula applied to the balance of the amount charged to the credit or debit account but may be a flat fee per transaction. Prior to processing the transaction, the customer will be informed of the fee amount and, upon request by the customer, the formula employed to arrive at this fee amount.