COMMONWEALTH OF KENTUCKY

BEFORE THE PUBLIC SERVICE COMMISSION

In the Matter of:

ALTERNATIVE RATE ADJUSTMENT FILING) CASE NO. OF SOUTH HOPKINS WATER DISTRICT) 2013-00428

ORDER

The Commission, on its own Motion, HEREBY ORDERS that:

- 1. South Hopkins Water District ("South Hopkins") shall file with the Commission no later than April 16, 2014:
- a. Its written comments on and any objections to the findings contained in the Commission Staff Report;
- b. Written notice of its position on adjusting its general rates for retail water service to a level that will produce an additional \$65,142 from retail water sales;
- c. Written notice of its position on changing the service lives of certain water assets to the service lives that the Commission Staff has recommended;
 - d. Any additional evidence for the Commission's consideration; and
- e. Written notice as to whether the matter may be submitted for decision based upon the existing record without hearing.
- 2. If South Hopkins responds to ordering paragraph 1.b. by stating an intent to revise its proposed rates for retail water service to the higher level that Commission Staff determined the utility could justify, South Hopkins shall publish notice of its revised request in a newspaper of general circulation in its territory no later than April 28, 2014,

and shall provide the Commission with proof of publication of such notice no later than May 9, 2014. Notice shall be in the format set forth in the Appendix to this Order.

- 3. Unless South Hopkins requests on or before April 16, 2014, that this matter be submitted for decision upon the existing record without hearing:
- a. An informal conference shall be held in this matter on Wednesday, April 30, 2014, at 2:00 p.m. Eastern Daylight Time, at the Commission's offices at 211 Sower Boulevard, Frankfort, Kentucky.
- b. South Hopkins shall file with the Commission, no later than May 6, 2014, a list of the persons it intends to call as witnesses at the scheduled hearing and a summary of each witness's expected testimony.
- c. South Hopkins shall publish notice of the scheduled hearing in accordance with 807 KAR 5:076, Section 12, no earlier than April 24, 2014, and no later than May 8, 2014.
- d. A formal hearing in this matter shall be held on Thursday, May 15,
 2014, beginning at 10:00 a.m. Eastern Daylight Time, in Hearing Room 1 of the
 Commission's offices at 211 Sower Boulevard, Frankfort, Kentucky.
- 4. Pursuant to KRS 278.080, Quang D. Nguyen is designated as hearing officer to conduct the scheduled hearing in this matter and to perform all actions necessary to ensure the orderly conduct of this hearing, to include administering oaths, receiving evidence and ruling on motions and objections raised during this hearing, except motions to dismiss.
- 5. Pursuant to KRS 278.360 and 807 KAR 5:001, Section 9(9)(a), the record of the formal hearing in this matter shall be by videotape.

6. Commission Staff shall prepare a written list of all exhibits presented at the hearing and shall file this list with the Commission with all hearing exhibits and a copy of the video transcript of the hearing.

By the Commission

ENTERED

APR 0 9 2014

KENTUCKY PUBLIC SERVICE COMMISSION

ATTEST:

Executive Director

APPENDIX

APPENDIX TO AN ORDER OF THE KENTUCKY PUBLIC SERVICE COMMISSION IN CASE NO. 2013-00428 APR 0 9 2014

NOTICE TO THE CUSTOMERS OF SOUTH HOPKINS WATER DISTRICT

On December 6, 2013, South Hopkins Water District applied to the Kentucky Public Service Commission ("PSC") for authority to adjust its rates for water service. After performing a review of South Hopkins Water District's application and records, the PSC Staff has recommended to the PSC that South Hopkins Water District be granted an increase greater than that requested. The table below reflects the originally proposed and PSC Staff recommended rates:

5/8-inch X 3/4-inch Meter First 1,000 Gallons Next 9,000 Gallons Next 10,000 Gallons Next 30,000 Gallons All over 50,000 Gallons	Originally Proposed \$9.75 Minimum Bill 5.12 per 1,000 Gallons 4.75 per 1,000 Gallons 4.37 per 1,000 Gallons 3.68 per 1,000 Gallons	PSC Staff Recommended \$10.00 Minimum Bill 5.25 per 1,000 Gallons 4.87 per 1,000 Gallons 4.49 per 1,000 Gallons 3.77 per 1,000 Gallons
1-inch Meter First 10,000 Gallons Next 10,000 Gallons Next 30,000 Gallons All over 50,000 Gallons	\$55.86 Minimum Bill 4.75 per 1,000 Gallons 4.37 per 1,000 Gallons 3.68 per 1,000 Gallons	\$57.28 Minimum Bill 4.87 per 1,000 Gallons 4.49 per 1,000 Gallons 3.77 per 1,000 Gallons
2-inch Meter First 20,000 Gallons Next 30,000 Gallons All over 50,000 Gallons	\$103.33 Minimum Bill 4.37 per 1,000 Gallons 3.68 per 1,000 Gallons	\$105.96 Minimum Bill 4.49 per 1,000 Gallons 3.77 per 1,000 Gallons
3-inch Meter First 50,000 Gallons All over 50,000 Gallons	\$234.43 Minimum Bill 3.68 per 1,000 Gallons	\$240.41 Minimum Bill 3.77 per 1,000 Gallons

A copy of the PSC Staff report can be found at: http://psc.ky.gov/PSCSCF/2013%20Cases/2013-00428/20140402 PSC ORDER.pdf.

Pursuant to the PSC's Order of January 14, 2014, in Case No. 2013-00428, South Hopkins Water District has requested that the PSC approve the higher rates. Any corporation, association, body politic, or person may submit comments on the proposed request no later than May 21, 2014. Comments shall be in writing and shall be submitted to the Executive Director, Public Service Commission, 211 Sower Boulevard, P.O. Box 615, Frankfort, Kentucky 40602. Comments may also be submitted by electronic mail to psc.info@ky.gov. If the Commission does not receive any objections or requests for intervention or hearing in this matter by May 21, 2014, the Commission shall proceed to render a decision in the matter.

Robert J Tucker Chairman South Hopkins Water District 129 South Main Street P. O. Box 487 Dawson Springs, KY 42408