MT. STERLING WATER & SEWER SYSTEM

POST OFFICE BOX 392 - 300 EAST MAIN STREET MOUNT STERLING, KENTUCKY 40353-0392

RECEIVED

JUN 1 5 1998

PUBLIC SERVICE COMMISSION

Notice

Mt. Sterling Water and Sewer System has filed a proposed rate schedule, with the Public Service Commission, which will increase by a simple average of 6.8% (or \$.12 per hundred cubic feet), the rates it charges to the following wholesale customers for water service: Montgomery County Water District #1, Reid Village, City of Jeffersonville, Levee Water District, Judy Water District, Bath County Water District.

Current and proposed water rates for the above named wholesale customers of Mt. Sterling Water and Sewer System are as follows:

	\$ Proposed Rate	\$ Old Rate	
First 100 cf	4.82	4.70	
Next 600 cf	2.32	2.20	PUBLIC SERVICE COMMISSION
Next 1300 cf	2.27	2.15	OF REMIDON 1
Next 1300 cf	2.17	2.05	EFFECTIVE
Next 3400 cf	1.92	1.80	1000
Next 6600 cf	1.62	1.50	JUL 20 1998
Next 13300 cf	1.32	1.20	PURSUANT TO 807 KAR 5:011.
Next 26000 cf	1.28	1.16	SECTION 9 (1)
ate of the proposed ra	ate change is July 20, 19	998	BY SPECIAL BUL SERBETARY OF THE COMMISSION

The date of the proposed rate change is July 2

The rates contained in this notice are the rates proposed by Mt. Sterling Water and Sewer System. The Public Service Commission, however, may order rates to be charged that differ from the proposed rates contained in this notice.

Any corporation, association, or person with a substantial interest in the matter may, by written request, within thirty (30) days after publication or mailing of this notice of the proposed rate changes request to intervene. Intervention may be granted beyond the thirty (30) day period for good cause shown.

Any person who has been granted intervention by the Public Service Commission may obtain copies of the rate application and any other filings made by Mt. Sterling Water and Sewer System by contacting David Pearce, 300 East Main Street, Mt. Sterling, Ky. 40353, (606) 498-0166.

Any person may examine Mt. Sterling Water and Sewer System's rates application and any other filings at its main office at 300 East Main, or at the Public Service Commission's Offices at 730 Schenkel Lane, Frankfort, Kentucky.

JEFFERSONVILLE WATER P.O. BOX 127 JEFFERSONVILLE, KY 40337

BATH COUNTY WATER DISTRICT P.O. BOX 369 SALT LICK, KY 40371

MONTGOMERY COUNTY WATER DISTRICT 4406 CAMARGO ROAD MT. STERLING KY 40353

LEVEE WATER ASSOCIATION P.O. BOX 770 MT STERLING, KY 40353

JUDY WATER ASSOCIATION 5031 MAYSVILLE ROAD MT. STERLING, KY 40353

REID VILLAGE WATER DISTRICT P.O. BOX 610 MT. STERLING, KY 40353

PUBLIC SERVICE COMMISSION OF KENTUCKY EFFECTIVE

JUL 20 1998

PURSUANT TO 807 KAR 5:011. SECTION 9 (1) BY: Stephan But SECHETARY OF THE COMMISSION

MT. STERLING WATER & SEWER SYSTEM

POST OFFICE BOX 392 - 300 EAST MAIN STREET MOUNT STERLING, KENTUCKY 40353-0392

Proposed Water Rates Water Districts, Associations Proposed Rate Schedule Effective July 20, 1998

	Present	Proposed Increase		
Volume	Rate	\$\$ Change	Percentage	\$Propose Rate
First 100 cf	4.70	.12	2.55%	\$4.82
Next 600 cf	2.20	.12	5.46	2.32
Next 1300 cf	2.15	.12	5.58	2.27
Next 1300 cf	2.05	.12	5.85	2.17
Next 3400 cf	1.80	.12	6.67	1.92
Next 6600 cf	1.50	.12	8.00	1.62
Next 13300 cf	1.20	.12	10.00	1.32
Next 26000 cf	1.16	.12	10.35	1.28

Simple Average % = 6.8%

PUBLIC SERVICE COMMISSION OF KENTUCKY EFFECTIVE

JUL 20 1998

PURSUANT TO SOZ KAR 5:011, SECTION 9 (1) BY: Stephan() BW SECRETARY OF THE COMMISSION

The undersigned, David Pearce, after being first duly sworn, states that copies of the foregoing notice and the foregoing schedule of proposed water rates was mailed by certified mail, return receipt requested, to each of the following water districts, water associations and/or systems on the 107% day of June, 1998:

Jeffersonville Water P.O. Box 127 Jeffersonville, Kentucky 40337

Bath County Water District P.O. Box 369 Salt Lick, Kentucky 40371

Montgomery County Water District 4406 Camargo Road Mt. Sterling, Kentucky 40353

Levee Water Association P.O. Box 770 Mt. Sterling, Kentucky 40353

Judy Water Association 5031 Maysville Road Mt. Sterling, Kentucky 40353

Reid Village Water District P.O. Box 610 Mt. Sterling, Kentucky 40353 GENERAL COUNSEL

PUBLIC SERVICE COMMISSION OF KENTUCKY EFFECTIVE

JUL 20 1998

PURSUANT TO 807 KAR 5:011.
SECTION 9 (1)
BY: Stephan Bul
SECRETARY OF THE COMMISSION

DAVID E. PEARCE

STATE OF KENTUCKY) :SCT COUNTY OF MONTGOMERY)

The foregoing was subscribed and sworn to before me by David E. Pearce on this the 11^{46} day of June, 1998.

My Commission Expires:

8-25-01

Libecca L. Downboll
NOTARY PUBLIC, KY., STATE-AT-LARGE