

2005-235

July 24, 2005

Executive Director
Public Service Commission
P.O. Box 615
Frankfort, KY 40602

RECEIVED

JUL 26 2005

Quinn N. Richter
203 Widgeon Way
Georgetown, KY 40324

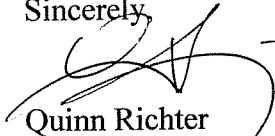
PUBLIC SERVICE
COMMISSION

Sir,

I am requesting to participate as an intervener in the rate increase being applied for by Mallard Point Disposal Systems, so that my concerns as a customer can be expressed to the Public Service Commission.

In the letter I received from Mallard Point Disposal Systems dated June 18, 2005, the Accounting Manager, Christy Combs states that Mr. Smith is loaning moneys to the utility at a rate of approximately \$50,000 per year. When I reviewed the financial reports submitted to the PSC I am unable to validate this claim, and want to be sure that if a rate increase is issued it is fair and appropriate. A 49.57% increase is significant, and suggests that the utility is in financial trouble, and I understand that Mr. Smith as the owner should expect to receive a rate that is competitive, but a monthly fee \$52.78 seems to be excessive and not inline with other utilities serving a similarly sized customer base.

Sincerely,


Quinn Richter

Mallard Point Disposal Systems, Inc.
104 Teal Court
Georgetown, Kentucky 40324

June 18, 2005

Dear Customer:

Two years ago next month, Mallard Point Disposal Systems, Inc. filed with the Public Service Commission only its second request in 20 years for consideration of an increase in its revenues to offset rising costs. These increased costs have been borne by its principal, Mark S. Smith, for over a decade subsidizing the net costs billed to each utility customer. Costs have risen so dramatically over the past few years that this is no longer possible or prudent. During the last rate request, several interveners wished to take issue and decry the fact that utility income and costs have not been fully isolated by Mr. Smith from his other interests, even though he owns 100% of the utility fully.

As a result, all income and expenses have been isolated since that time and as a result, the daily operational costs of the utility have risen and now have been able to be identified. These costs have required Mr. Smith to loan moneys in the utility as a rate of approximately \$50,000 per year. Obviously this cannot continue.

For the above reasons, you will find attached a notice of our request for consideration by the Public Service Commission for an increase to our revenues, only our third in the past 21 years.

It has always been our mission to provide the best service for the least cost, and this continues to be our objective.

Should you have any questions or comments, please feel free to contact Mark S. Smith at your convenience.

Sincerely,



Christy H. Combs
Accounting Manager

Mallard Point Disposal System, Inc.

104 TEAL COURT ♦ GEORGETOWN, KENTUCKY 40324

502 - 863 - 6741

Notice

This is to inform you that the Mallard Point Disposal System, Inc. is requesting an increase in the sewer rates as follows:

	<u>Existing</u>	<u>Proposed</u>	<u>Percentage Increase</u>
Flat Monthly Residential	\$ 35.29	\$ 52.78	49.57%

The rates contained in this notice are the rates proposed by the Mallard Point Disposal System. However, the Public Service Commission may order rates to be charged that are higher or lower than the rates proposed in this notice.

Any corporation, association, body politic or person may request leave to intervene by motion within thirty (30) days after notice of the proposed rate changes is given. A motion to intervene shall be in writing, shall be submitted to the Executive Director, Public Service Commission, 211 Sower Boulevard, P.O. Box 615, Frankfort, Kentucky, 40602, and shall set forth the grounds for the motion, including the status and interest of the party movant.

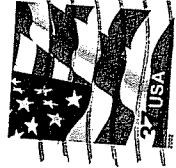
Copies of the application may be obtained at no charge from Mallard Point Disposal System, Inc. at 104 Teal Court, Georgetown, Kentucky 40324. Upon request from an intervenor, the applicant shall furnish to the intervenor a copy of the application and supporting documents

Mallard Point Disposal System, Inc.

Quinn Richter
203 Widgeon Way
Georgetown, KY 40324

Frost
Mitchell
Thompson
Mattox
Dotson

Executive Director
Public Service Commission
P.O. Box 615
Frankfort, KY 40602



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