Ernie Fletcher Governor

LaJuana S. Wilcher, Secretary Environmental and Public Protection Cabinet

Christopher L. Lilly Commissioner Department of Public Protection

Woodson T. Wood Attorney at Law Wood, Wood & Young Attorneys at Law 33 1/2 West Second Street US Bank Building Maysville, KY 41056



Commonwealth of Kentucky **Public Service Commission** 211 Sower Blvd. P.O. Box 615 Frankfort, Kentucky 40602-0615 Telephone: (502) 564-3940 Fax: (502) 564-3460 psc.ky.gov

March 14, 2006

Mark David Goss Chairman

> Teresa J. Hill Vice Chairman

Gregory Coker Commissioner

CERTIFICATE OF SERVICE

RE: Case No. 2006-00029 Pinewood Subdivision, Inc. d/b/a Pinewood Subdivision Sewer

I, Beth O'Donnell, 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 March 14, 2006.

Executive Director

BOD/jc Enclosure



Honorable David Edward Spenard Assistant Attorney General Office of the Attorney General Utility & Rate Intervention Division 1024 Capital Center Drive Suite 200 Frankfort, KY 40601-8204 Woodson T. Wood Attorney at Law Wood, Wood & Young Attorneys at Law 33 1/2 West Second Street US Bank Building Maysville, KY 41056

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COMMONWEALTH OF KENTUCKY

BEFORE THE PUBLIC SERVICE COMMISSION

In the Matter of:

THE APPLICATION OF PINEWOOD SUBDIVISION,)INC. d/b/a PINEWOOD SUBDIVISION SEWER FOR)AN ADJUSTMENT OF RATES FOR SEWER)SERVICE AND ESTABLISHMENT OF CERTAIN)NON-RECURRING CHARGES)

CASE NO. 2006-00029

<u>ORDER</u>

On January 17, 2006, Pinewood Subdivision, Inc. d/b/a Pinewood Subdivision Sewer ("Pinewood") filed its application for Commission approval of proposed rates for sewer service and certain non-recurring charges. The proposed rates for service would generate additional annual revenues of \$6,079, a 51 percent increase in normalized test-year sales of \$11,914. The proposed rates would increase the monthly flat rate for sewer service from \$14.60 to \$22.05, or 51 percent. The requested non-recurring charges included a \$25 return check charge and a 10 percent late payment penalty.

Upon request, intervention was granted to the Attorney General of the Commonwealth of Kentucky by Order dated February 1, 2006.

Commission Staff performed a limited financial review of Pinewood's operations and prepared a Staff Report that was issued by Order dated February, 23, 2006. Staff's report recommended that the Commission approve the rates and non-recurring charges requested in Pinewood's application. The Order issuing the report granted all parties 10 days to comment or request an informal conference or hearing. The Commission has not received any comments or requests. The Commission, after considering the evidence of record and being otherwise sufficiently advised, finds that the rates and non-recurring charges proposed by Pinewood and shown in this Order at Appendix A are fair, just, and reasonable.

IT IS THEREFORE ORDERED that:

1. The rates and non-recurring charges proposed by Pinewood and contained in Appendix A of this Order are approved for service rendered by Pinewood on and after the date of this Order.

2. Within 30 days of the date of this Order, Pinewood shall file with the Commission its revised tariffs setting out the rates approved herein.

Done at Frankfort, Kentucky, this 14th day of March, 2006.

By Commission

Executive Director

APPENDIX A

APPENDIX TO AN ORDER OF THE KENTUCKY PUBLIC SERVICE COMMISSION IN CASE NO. 2006-00029 DATED March 14, 2006.

The following rates and charges are prescribed for the customers in the area serviced by Pinewood Subdivision, Inc. d/b/a Pinewood Subdivision Sewer. All other rates and charges 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.

Monthly Residential Sewer Charge	\$22.05
Returned Check Charge	25.00
Late Payment Penalty	10 percent