

COMMONWEALTH OF KENTUCKY
BEFORE THE PUBLIC SERVICE COMMISSION

In the Matter of:

PROPOSED ADJUSTMENT OF THE WHOLESALE)
WATER SERVICE RATES OF THE CITY OF) CASE NO. 2007-00257
FALMOUTH)

O R D E R

On June 26, 2007, the city of Falmouth, Kentucky ("Falmouth"), filed with the Commission proposed revisions to its rates for wholesale water service to East Pendleton County Water District ("East Pendleton") and Pendleton County Water District ("Pendleton County") rendered on and after that day. Falmouth states that proposed rates will result in a reduction of its wholesale rates and requests the notice period required pursuant to KRS 278.180(1)¹ be shortened to immediate implementation.

Having considered the proposed rate revision and being otherwise sufficiently advised, the Commission finds that good cause exists to accept the proposal and to

¹ Except as provided in subsection (2) of this section, no change shall be made by any utility in any rate except upon thirty (30) days' notice to the commission, stating plainly the changes proposed to be made and the time when the changed rates will go into effect. However, the commission may, in its discretion, based upon a showing of good cause in any case, shorten the notice period from thirty (30) days to a period of not less than twenty (20) days. The commission may order a rate change only after giving an identical notice to the utility. The commission may order the utility to give notice of its proposed rate increase to that utility's customers in the manner set forth in its regulations.

reduce, pursuant to KRS 278.180(2),² the required notice period for the proposed rate adjustment.

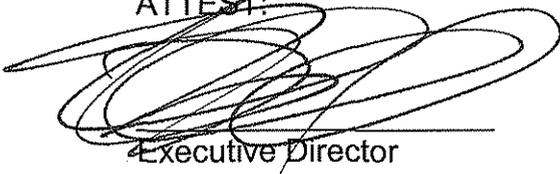
IT IS THEREFORE ORDERED that:

1. Falmouth's request to eliminate the required notice period is denied.
2. The required notice to the Commission is reduced from 30 days to 1 day.
3. Falmouth's proposed rate is suspended for one day and shall become effective on June 27, 2007, subject to further change as the Commission may order.
4. The proposed wholesale water service rate of \$1.98 per 1,000 gallons for East Pendleton and Pendleton County is authorized for wholesale water service provided on and after June 27, 2007.
5. Within 10 days from the date of this Order, Falmouth shall file with the Commission its revised tariff page setting out the rates and effective date authorized herein.

Done at Frankfort, Kentucky, this 27th day of June, 2007.

By the Commission

ATTEST:



Executive Director

²

The commission, upon application of any utility, may prescribe a less time within which a reduction of rates may be made.