

COMMONWEALTH OF KENTUCKY
BEFORE THE PUBLIC SERVICE COMMISSION

In the Matter of:

NORTH MARSHALL WATER DISTRICT)
_____)) CASE NO. 2007-00275
ALLEGED FAILURE TO COMPLY WITH KRS)
278.160)

O R D E R

North Marshall Water District ("North Marshall"), a water district that is organized pursuant to KRS Chapter 74 and that owns and operates facilities used to distribute water in and around Livingston and Marshall counties, is a utility subject to Commission jurisdiction.

KRS 278.160 provides, in pertinent part, that:

(1) Under rules prescribed by the commission, each utility shall file with the commission, within such time and in such form as the commission designates, schedules showing all rates and conditions for service established by it and collected or enforced. The utility shall keep copies of its schedules open to public inspection under such rules as the commission prescribes.

(2) No utility shall charge, demand, collect, or receive from any person a greater or less compensation for any service rendered or to be rendered than that prescribed in its filed schedules, and no person shall receive any service from any utility for a compensation greater or less than that prescribed in such schedules.

By necessary implication, KRS 278.160 requires a utility to provide utility service in accordance with the terms of its filed rate schedules and that any failure to provide service in accordance with such schedules constitutes a violation of this statute.

Pursuant to KRS 278.160, North Marshall has filed with the Commission rate schedules that provide, inter alia, (1) bills will be issued bi-monthly on or about the 20th day of each even-numbered month; (2) payment must be received before the close of business on the 10th day of odd-numbered months; and (3) if payment is not received by this day, it "will be assessed the late payment penalty due and on-file with the Public Service Commission."¹

In a recent proceeding before the Commission² North Marshall acknowledged that in April 2006 it issued its bi-monthly bills on April 25, 2006. Such action appears to be inconsistent with and contrary to the provisions of its filed rate schedules.

Based upon the foregoing and being otherwise sufficiently advised, the Commission finds that prima facie evidence exists that North Marshall has violated KRS 278.160 by failing to issue its bi-monthly bills for April 2006 on or about April 20, 2006.

Wherefore, the Commission HEREBY ORDERS that:

1. North Marshall shall show cause in writing within 20 days of the date of this Order why it should not be subject to the penalties prescribed in KRS 278.990(1) for its alleged failure to comply with KRS 278.160.
2. In its written response to this Order, North Marshall shall respond to the allegations in this Order regarding its failure to comply with KRS 278.160.

¹ North Marshall Water District Tariff, PSC KY No. 4, Original Sheet No. 11.

² Kentucky Dam Village State Resort Park v. North Marshall Water Dist., Case No. 2006-00365 (Ky. PSC July 31, 2007).

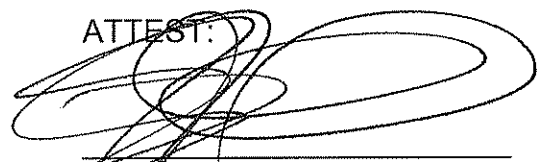
3. Any motion requesting an informal conference with Commission Staff to consider any matter that may aid in the handling or disposition of this proceeding shall be filed with the Commission no later than 20 days from the date of this Order.

4. The record of Case No. 2006-00365 is incorporated by reference into the record of this proceeding.

Done at Frankfort, Kentucky, this 31st day of July, 2007.

By the Commission

ATTEST:



Executive Director