

Helen Helton, Executive Director
KY Public Service Commission
PO Box 615
Frankfort, KY 40602

RECEIVED

FEB 25 2008

PUBLIC SERVICE
COMMISSION

Dear Ms. Helton

RE: Case No. 2008-00056

In response to the letter we received from the Commission dated February 18, 2008 stating the filing deficiencies we submit the following:

1. Ten additional copies are included in the enclosed packet. Muhlenberg County Water District #3 is a Special District formed by the Muhlenberg County Fiscal Court. There are no articles of incorporation.
2. Filing deficiencies pursuant to 807 KAR 5:011: It is not the intention of this water district to have all our customers pay for the added expense caused by a few. We do not wish to pursue a full-blown rate case, as our water district is financially sound due to the excellent financial management of our commissioners and management staff. We do however think that those customers, who do not give our meter readers access to the water meters, enabling them to read the meters monthly, need to bear the cost of return trips by the meter reader to read the meter. In some cases it has taken several trips over a three-month period to finally get a reading. It is our intention to estimate the meter in question and add an additional fee of \$25.00 to the bill to cover the cost of the meter reader making a trip and not getting a reading. For this reason we request at deviation from the filing requirement.
3. Filing deficiencies pursuant to KRS 278.180
The commission was not given a 30-day notice and no effective date was stated in the filing. The effective date will be the commission approval date.

We appreciate your re-examining our application for a non-recurring charge.

Sincerely,

Muhlenberg County Water District NO. 3

Enclosure

February 20, 2008

Helen Helton, Executive Director
KY Public Service Commission
PO Box 615
Frankfort, KY 40602

Dear Ms. Helton:

RE: *Formal Application for Tariff Revision*

This is an application for non-recurring charges and tariff revision for the Muhlenberg County Water District No. 3, P.O. Box 67, Bremen, KY 42325. Attached is the non-recurring cost justification and the proposed new tariff.

Muhlenberg County Water District No. 3 is not requesting a water rate increase at this time. However, increased costs attributable to certain non-recurring charges can no longer be absorbed by the District. The customers affected by these increases will be the customers that cause the District to incur these additional expenses. Proposed tariff sheet is attached.

The District has previously filed income statements and balance sheets with the public Service Commission. These income statements and balance sheets are currently on file with the Commission.

The District has published a public notice of the requested rate revision in the local newspaper. You will find a copy of this publication notice enclosed.

A copy of this application and related filings has been sent to the Office of the Attorney General, State Capitol Building, Suite 116, Frankfort, KY 40601.

Sincerely,

Muhlenberg County Water District No. 3

Enclosure

February 20, 2008

Office of Attorney General
The Capitol, Suite 118
Frankfort, KY 40601

Dear Sir:

RE: Formal Application for Tariff Revisions

This filing shall serve notice that Muhlenberg County Water District No. 3 has filed an application with the Public Service commission to revise its tariff and adjust certain non-recurring charges.

Muhlenberg County Water District No. 3 is not requesting a water rate increase at this time. However, the District can no longer absorb increased costs attributable to certain non-recurring charges. The customers affected by these increases will be the customers that cause the District to incur these additional expenses. Proposed tariff sheet is attached.

The District will publish a public notice of this requested rate revision in the local newspaper for three consecutive weeks. You will find a copy of this publication notice enclosed.

Yours truly,

Muhlenberg County Water District No. 3

Enclosure

Form for filing Rate Schedules

FOR Muhlenberg County
Community, Town or City

P.S.C. KY. NO. _____

_____ SHEET NO. _____

CANCELLING P.S.C. KY. NO. _____

_____ SHEET NO. _____

CLASSIFICATION OF SERVICE

Meter Reading fee tariff is amended to read:

Effective 1 May, 2008 a meter reading fee of \$25.00 will be charged to existing customers' who's water meters are not accessible to the meter reader for monthly meter reading or emergency access to said lines or meters. The monthly bill will be estimated and the water district, due to the customer's non-compliance, will add the additional fee of \$25.00 for each month the meter was not read by the water district.

Date of Issue 21 Feb. 2008 Date Effective _____

Issued By Raymond Ellison Title Chairman

Issued by authority of an Order of the Public Service commission of Kentucky in Case

No. _____ dated _____.

NONRECURRING CHARGE COST JUSTIFICATION

Type of Charge: Meter Reading Charge (meters not accessible on meter reading day)

1. Field Expense:

A. Materials (itemize) \$ _____

_____ _____
_____ _____
_____ _____

B. Labor (Time and Wage)

_____ **1 Hour** _____ **\$13.92** _____

Total Field Expense **\$13.92** _____

2. Clerical and Office Expense

A. Supplies \$ _____

B. Labor **\$7.50** _____

Total Clerical and Office Expense **\$7.50** _____

3. Miscellaneous Expense

A. Transportation **\$3.58** _____

B. Other _____

Total Miscellaneous Expense **\$3.58** _____

Total Nonrecurring Charge Expense **\$25.00** _____

NOTICE

Muhlenberg County Water District No. 3 proposes to make the following revision to its schedule of charges. The proposed effective date for the charge is 1May 2008.

Non-Recurring Charges:

Effective 1May 2008 a meter reading fee of \$25.00 will be charged to existing customers' who's water meters are not accessible to the meter reader for monthly meter reading or emergency access to said lines or meters. The monthly bill will be estimated and the water district, due to customer's non-compliance, will add the additional fee of \$25.00 for each month the meter was not read by the water district.

The fees contained in this notice are the fees proposed by the Muhlenberg County Water District No. 3. However, the Public Service Commission may order fees to be charged that differ from this proposed fee. Such action may result in fees for consumers other than the fee in this notice.

Any corporation, association, body politic, or person may, by motion within thirty (30) days after publication of this fee change, request leave to intervene; and the motion shall be submitted to the Public Service Commission, PO Box 615, Frankfort, KY 40602, and shall set forth the grounds for the request including the status and interest of the party.

Intervenors may obtain copies of the application and related filings at no cost by contacting the water district.

Muhlenberg County Water district No.3 has available for inspection at its office the proposed change to its Rules and Regulations. The office is located at 4789 Main Street, Bremen, KY 42325.

This notice is published pursuant to 807 KAR 5:011-Tariffs.

Muhlenberg County Water District No. 3