

COMMONWEALTH OF KENTUCKY  
BEFORE THE PUBLIC SERVICE COMMISSION

In the Matter of:

APPLICATION OF SOUTH ANDERSON )  
WATER DISTRICT TO REVISE CERTAIN ) CASE NO. 2008-00432  
NONRECURRING CHARGES )

O R D E R

On October 2, 2008, South Anderson Water District ("South Anderson") applied for authority to increase certain nonrecurring charges.

South Anderson, in its initial filing, submitted a Credit/Debit Card Policy with the associated charges for Visa and Master Card charges. These charges are to be based upon a formula employed by the utility to arrive at a fee to be charged to the customer for these transactions. The customer is to be informed of the fee amount prior to any processing of the charge.

South Anderson also requested an ACH-Bank Draft/Automatic Withdraw Policy which will allow customers to pay their bill by a scheduled automatic withdrawal from the customer's bank account. This method of payment is, likewise, subject to a fee charged to the utility by the bank. South Anderson proposes to charge its customer a fee equal to that charged by the bank to South Anderson for the transaction. The customer is to be informed of the fee amount prior to any processing of the charge.

In Case No. 2007-00169,<sup>1</sup> the Commission approved a Credit/Debit Card

Policy using the following language:

All customers may pay their bill by credit or debit card. This method of payment may be made in person at the Webster County Water District office or by telephone.

If on the bill due date an attempt to pay the credit card or debit card is made and the card is declined for any reason, payment is still due in full on that date and will be considered late after that date. All late charges and penalties will be applied. If a customer is paying on our disconnect day and the card is declined, the same rules as above apply, in addition to his/her service being disconnected.

When a customer makes a payment by credit card, the utility will assess a fee equal to that charged to the utility by the credit or debit card processing company to process the transaction. This fee is generally calculated using a formula applied to the balance of the amount charged to the credit or debit account but may be a flat fee per transaction. Prior to processing the transaction, the customer will be informed of the fee amount and, upon request by the customer, the formula employed to arrive at this fee amount.

On March 2, 2009, South Anderson amended its application by submitting tariff language for its Credit/Debit Card Policy based upon the above language.

The Commission, having reviewed the record and being sufficiently advised, finds that:

1. South Anderson has provided adequate evidence of the individual expenses incurred to provide the services associated with the proposed charges.

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<sup>1</sup> Case No. 2007-00169, The Application of Webster County Water District to Revise Certain Nonrecurring Charges, (Ky. PSC June 22, 2007).

2. The proposed charges are equal to the expenses incurred to provide the associated services.

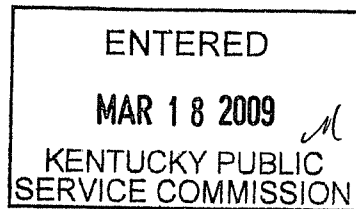
3. The charges and policies set forth in the Appendix to this Order are fair, just, and reasonable and should be approved.

IT IS THEREFORE ORDERED that:

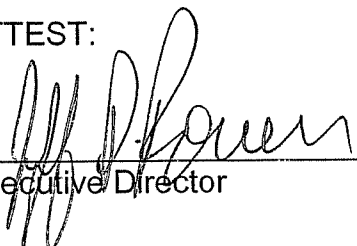
1. The charges in the Appendix are approved for services rendered on and after the date of this Order.

2. Within 20 days of the date of this Order, South Anderson shall file with the Commission revised tariff sheets setting out the charges approved in the Appendix.

By the Commission



ATTEST:

  
\_\_\_\_\_  
Executive Director

Case No. 2008-00432

## APPENDIX

### APPENDIX TO AN ORDER OF THE KENTUCKY PUBLIC SERVICE COMMISSION IN CASE NO. 2008-00432 DATED MARCH 18, 2009

The following rates, charges, and policies are prescribed for the customers in the area served by South Anderson Water District. All other rates, charges, and policies 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.

#### Nonrecurring Charges

#### Credit/Debit Card Policy

All customers may pay their bill by credit or debit card. This method of payment may be made in person at the South Anderson Water District office or by telephone.

If on the bill due date an attempt to pay the credit card or debit card is made and the card is declined for any reason, payment is still due in full on that date and will be considered late after that date. All late charges and penalties will be applied. If a customer is paying on our disconnect day and the card is declined, the same rules as above apply, in addition to his/her service being disconnected.

When a customer makes a payment by credit card, the utility will assess a fee equal to that charged to the utility by the credit or debit card processing company to process the transaction. This fee is generally calculated using a formula applied to the balance of the amount charged to the credit or debit account but may be a flat fee per transaction. Prior to processing the transaction, the customer will be informed of the fee amount and, upon request by the customer, the formula employed to arrive at this fee amount.

**1.76% of the bill plus .35 cents per transaction for Visa and MasterCard**

#### ACH – Bank Draft/Automatic Withdraw Policy

All customers may pay their bill by ACH – Bank Draft/Automatic Withdraw. The ACH – bank draft/automatic withdraw will be scheduled for the 25<sup>th</sup> of each month.

On the 25<sup>th</sup> of each month the payment will be processed. If payment is declined for any reason, the payment will still be due by the 30<sup>th</sup> of the month. All late charges and penalties will apply if payment is not made by the 30<sup>th</sup> of the month.

When a customer makes a payment by ACH – bank draft/automatic withdraw, the utility will assess a fee per transaction equal to that charged to the utility by the bank. This fee is established by the banking agency. The customer will be informed of any changes in transaction cost.

**.29 cents per transaction**

Eddie Stevens  
Chairman  
South Anderson Water District  
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