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PUBLIC SERVICE  
COMMISSION

APPLICATION FOR RATE ADJUSTMENT  
BEFORE THE PUBLIC SERVICE COMMISSION

For Small Utilities  
Pursuant to 807 KAR 5.076  
(Alternative Rate Filing)

**LOVELACEVILLE WATER WORKS**

Name of Utility

**1352 HAMBURG ROAD**

**KEVIL KY 42053**

Business Mailing Address

Telephone Number 270 / 876-7946  
Area Code Number

I. Basic Information

NAME, TITLE, ADDRESS and Telephone number of the person to whom correspondence or communications concerning this application should be directed:

Name: DEBRA J STIGALL

Address: 1352 HAMBURG ROAD

KEVIL KY 42053

Telephone Number: 270-876-7946

- |    |   |            |    |
|----|---|------------|----|
| 1) | Do you have 500 customers or fewer?   | <u>Yes</u> | No |
| 2) | Do you have \$300,000 in Gross Annual Revenue or less?  | <u>Yes</u> | No |
| 3) | Has the Utility filed an annual report with this Commission for the past year and the two previous years? | <u>Yes</u> | No |
| 4) | Are the utility's records kept separate from any other commonly-owned enterprise?                         | <u>Yes</u> | No |

NOTICE: To be eligible for consideration of a rate adjustment under this regulation, you must have answered yes to either question 1 or 2 and yes to both questions 3 and 4 above. If you answer no to questions 3 or 4, you must obtain written approval from the Commission prior to filing this Application. If these requirements are not met, you must file under the Commission's procedural rules, 807 KAR 5:001.

II. Increased Cost Information

(1) The most recent Annual Report will be used as the basic test period data in order to determine the reasonableness of the proposed rates. The Annual Report used as the basis for the 12 months ending December 31, 2008 (PER PAUL MCGOWEN)

a. If you have reason to believe some of the items of revenue and expense listed in the Annual Report will increase or decrease, please list each item, the expected increase or decrease and the adjusted amount.

<u>Item Per Annual Report</u>	<u>Amount Per Annual Report</u>	<u>Increase (Decrease)</u>	<u>Adjusted Amount</u>
<u>Revenues:</u> PROPOSED	\$ 11,400.00	\$ 9,120.00	\$ 20,520.00
Total Revenues	<u>\$ 11,400.00</u>	<u>\$ 9,120.00</u>	<u>\$ 20,520.00</u>

Expenses:

PROPOSED EXPENSES ARE A ESTIMATE. AFTER CONDUCTING BUSINESS FOR THE NEXT YEAR, I CAN TELL WHAT ALL EXPENSES WILL BE.

ESTIMATED EXPENSES WILL BE OFFICE WORKERS, REPAIR WORKERS, TRUCK GAS AND MAINTENANCE EXPENSE, TESTING OF WATER AND CHLORINE. POSTAGE AND OFFICE SUPPLIES.

Total Expenses	\$ _____	\$ _____	<u>\$19,610.00</u>
Revenues Less Expenses	\$ _____	\$ _____	<u>\$ 910.00</u>

- b. Please describe each item that you adjusted on page 2 and how you know it will change. (Please attach invoices, letters, contracts or receipts which will help in proving the change in cost).

THE PRIOR OWNER USED PERSONAL VEHICLES AND PERSONAL EQUIPMENT TO MAINTAIN THE SYSTEM. WE WILL BE PUTTING IN SERVICE A MAINTENANCE TRUCK, EMPLOYEE TO MAINTAIN THE SYSTEM, ALONG WITH A BOOKKEEPER. THIS WILL BE RUN OUT OF AN OFFICE AND NOT A HOME.

- c. Please list your present and proposed rates for each class (i.e., residential, commercial, etc.) of customer and the percentage of increase proposed for each class:

<u>Customer Class</u>	<u>Present Rates</u>	<u>Proposed Rates</u>	<u>Percent Increase</u>
RESIDENTIAL	0-3500 GAL. \$10.00	0-2000 GAL \$18.00	80%
RESIDENTIAL	OVER 3500 \$2.00 PER 1000 GAL.	OVER 2000 \$3.00 PER 1000 GAL.	125%

III. Other Information

a. Please complete the following questions:

- 1) Please describe any events or occurrences, which may have an effect on this rate review that should be brought to the Commission's attention (e.g., excessive line losses, major repairs, planned construction).

OUR CURRENT PLANS ARE TO IMPROVE THE ELECTRICAL SYSTEM IN THE LOVELACEVILLE WATER WORKS BUILDING AND TO UPGRADE THE WATER LINES AS NEEDED.

- 2) Total number of Customers as of the date of filing: 67
- 3) Total amount of increased revenue requested: 80%

4) Please circle Yes or No:

- a) Does the utility have any outstanding indebtedness? Yes No

If yes, attach a copy of any documents such as promissory notes, bond resolutions, mortgage agreements, etc.

- b) Were all revenues and expenses listed in the Annual Report for N/A incurred and collected from January 1 to December 31 of that year? Yes No

If no, list total revenues and total expenses incurred prior to or subsequent to this period and attach invoices or other analysis which show how amounts were calculated

- 5) Attach a copy of the utility's depreciation schedule of utility plant in service. Reconcile any differences between total depreciation shown on the Annual Report for N/A and the amount shown on this schedule.
- 6) If utility is a sewer utility:
- a) Attach a copy of the latest State and Federal Income Tax Returns
  - b) How much of the utility plant was recovered through the sale of lots or other contributions N/A \$ or %? (If unknown, state the reason).

b. Please state the reason or reasons why a rate adjustment is requested. (Attach additional pages if necessary).

WE WOULD LIKE TO OPERATE THIS COMPANY WITH A PROFIT. WE ARE ALSO PLANNING ON DAILY MAINTENANCE AND UPGRADES TO THE SYSTEM. WE ARE BUSINESS PEOPLE AND DO NOT WANT A LOSS FROM THIS BUSINESS.

V. General Information/Customer Notice

1) Filing Requirements:

a. If the applicant is a corporation, a certified copy of its articles of incorporation must be attached to this application. If the articles and any amendments thereto have already been filed with the Commission in a prior proceeding, it will be sufficient to state that fact in the application and refer to the style and case number of the prior proceeding.

b. An original and 10 copies of the completed application should be sent to:

Executive Director  
Kentucky Public Service Commission  
211 Sower Boulevard  
Post Office Box 615  
Frankfort, Kentucky 40602

Telephone: 502 / 564 – 3940

c. One Copy of the completed application should also be sent at the same time to:

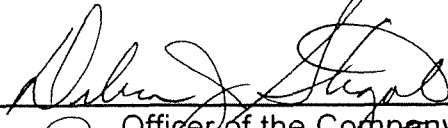
Office of Rate Intervention  
Office of the Attorney General  
1024 Capital Center Drive, Suite 200  
Frankfort, Kentucky 40601-8204

2) A copy of the customer notice must be filed with this application. Proper notice must comply with Section 4 of this regulation.

3) Copies of this form and the regulation may be obtained from the Commission's Office of Executive Director; or by calling 502 / 564 – 3940.

4) I have read and completed this application, and to the best of my knowledge all the information contained in this application is true and correct.

Signed



Officer of the Company

Title

President - O.

Date

5-1-09