Steven L. Beshear Governor

Leonard K. Peters Secretary Energy and Environment Cabinet



Commonwealth of Kentucky **Public Service Commission** 211 Sower Blvd. P.O. Box 615 Frankfort, Kentucky 40602-0615 Telephone: (502) 564-3940 Fax: (502) 564-3460 psc.ky.gov

November 17, 2009

David L. Armstrong Chairman

> James Gardner Vice Chairman

Charles R. Borders Commissioner

James Simpson Chief Operating Officer Henry County Water District #2 8955 Main Street P. O. Box 219 Campbellsburg, KY 40011

RE: Case No. 2009-00445 Henry County Water District #2

The Commission staff has reviewed your application in the above case and finds that it meets the minimum filing requirements. Enclosed please find a stamped filed copy of the first page of your filing. This case has been docketed and will be processed as expeditiously as possible.

If you need further assistance, please contact my staff at 502/564-3940.

Sincerely,

Jeff Derouen Executive Director

JD/ke Enclosure

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RE: Application for Approval of Non-recurring Charges

PUBLIC SERVICE

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COMMISSION

Enclosed please find an original and ten (10) copies of an <u>application MMB610ehry County</u> Water District #2 to increase certain nonrecurring charges. These charges are assessed only to customers who cause the utility to incur the expense. An example is a reconnection fee for a customer that had their service disconnected for nonpayment of a bill.

As set out in KRS 5:001, Section 10 the following information is included below in support of the application:

- (1) Cost justification for the proposed rates and description of the service provided is included in this filing. The proposed rates cover incremental costs.
 - (2) A copy of the public notice is enclosed along with an affidavit wherein the newspaper will publish the notice for 3 (three) consecutive weeks.
 - (3) A copy of the notice and this application has been mailed to the Office of the Attorney General, 1024 Capital Center Drive, Frankfort, Ky 40401.
 - (4) Henry County's last rate case was in 1996. Henry County is planning to file a general rate case in November of this year. Henry County is installing radio read meters which necessitates this request. The current 5/8-inch connection fee is \$575.00. In order to recover the cost of the radio read meters, the proposed charge is \$1,250.00. Henry County cannot afford to wait until a Commission decision is made on the general rate case for its increase in non-recurring charges.
 - (5) The customers that will be affected by this increase in connection fee are new connections made by Henry County. Other proposed non-recurring charges in this application will have an impact only on those customers who cause Henry County to incur the expense.
 - (6) A copy of Henry County's annual report showing its income statement and balance sheet is included in this filing. The 2008 annual report is on file with the Kentucky Public Service Commission.
 - (7) The additional revenue from this filing will not exceed five (5) percent of total revenues provided by all miscellaneous and non-recurring charges for the recent twelve (12) month period.
 - (8) No more than two (2) tariff filings under this procedure has been filed with the PSC.