Steven L. Beshear Governor

Sonja Ridge

Hillridge Facilities, Inc. 17825 Bradbe Road Fisherville, KY 40023

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

November 5, 2010

psc.ky.gov

David L. Armstrong Chairman

> James Gardner Vice Chairman

Charles R. Borders Commissioner

RE: Case No. 2010-00426 Hillridge Facilities, Inc.

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,

Linda Faulkner

Filings Division Director

LF/ke Enclosure



October 22, 2010

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



PUBLIC SERVICE COMMISSION

Re: Hillridge Facilities, Inc. 2010 Rate Case Filing

2010-00426

Dear Sirs:

Attached please find an original and 10 copies of Hillridge Facilities, Inc.'s Alternative Rate Filing, including customer notice and mailing verification. Please incorporate by reference in this case our annual reports on file at the PSC, and note that Hillridge filed its articles of incorporation and any amendments in Case No. 89-347 ("The Application Of Hillridge Facilities, Inc. For A Rate Adjustment Pursuant To The Alternative Rate Filing Procedure For Small Utilities").

In this case, Hillridge is requesting PSC approval of both a 34.7% general rate increase and a surcharge of \$11.19 per month for 36 months. The surcharge is necessary to address Inflow and Infiltration issues typical for a facility of Hillridge's age and to avoid sanctions from the Kentucky Division of Water. Because of the urgent nature of this situation, Hillridge respectfully requests expedited PSC approval of the surcharge request.

Hillridge is proposing that the new rates become effective on November 29, 2010, and has provided a proposed tariff to that effect at Exhibit 2 of this filing. In addition, Hillridge has attempted to the best of its ability to fully comply with the Commission's ARF filing requirements. However, please consider this a request for waiver of any filing requirements which Hillridge may have inadvertently overlooked, on the grounds that all relevant information has been provided to allow the processing of this case to begin.

Finally, please note that Hillridge believes reduction of the estimated rate case expenses included within this application is in the best interests of all parties. Therefore, we respectfully request that the Commission Staff perform a field review rather than issuing data requests to process this case.

Olivority,

Sonja Ridge, Vice-President and Treasurer

Hillridge Facilities, Inc.