COMMONWEALTH OF KENTUCKY

BEFORE THE PUBLIC SERVICE COMMISSION

In the Matter of:

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THE APPLICATION OF COUNTRY VILLAGE) SEWER SYSTEM FOR RATE ADJUSTMENT) PURSUANT TO THE ALTERNATIVE RATE) CASE NO. 9628 FILING PROCEDURE FOR SMALL UTILITIES)

ORDER

On July 7, 1986, Country Village Sewer System ("Country Village") filed its application seeking an increase in rates in order to generate additional revenues of \$6,432 annually, an increase of 30.9 percent over its normalized revenues. On September 4, 1986, the Commission staff performed a limited audit of Country Village's operations for the purpose of evaluating the requested increase in rates. On September 26, 1986, the staff issued its report containing findings and recommendations related to the requested increase. Country Village did not file any comments in response to the staff report and did not request a public hearing.

The staff report, based on the Commission's usual rate-making practices, recommended that Country Village be granted an increase of \$4,721. The Commission finds the recommendations contained in the report to be reasonable and, therefore, will grant the increase of \$4,721 resulting in annual operating revenues of \$25,569.

SUMMARY

The Commission, based on the evidence of record and being advised, is of the opinion and finds that:

1. The rate proposed by Country Village should be denied upon application of KRS 278.030.

2. The rate in Appendix A is fair, just and reasonable for Country Village and should produce gross annual revenues of \$25,569.

IT IS THEREFORE ORDERED that:

 The rate proposed by Country Village be and it hereby is denied.

2. The rate in Appendix A is approved for service rendered by Country Village on and after the date of this Order.

3. Within 30 days of the date of this Order, Country Village shall file its revised tariff sheets setting out the rate approved herein.

Done at Frankfort, Kentucky, this 4th day of December, 1986.

PUBLIC SERVICE COMMISSION

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ATTEST:

Executive Director

APPENDIX A

APPENDIX TO AN ORDER OF THE KENTUCKY PUBLIC SERVICE COMMISSION IN CASE NO. 9628 DATED 12/4/86

The following rate is prescribed for the customers in the area served by Country Village Sewer System. All other rates and charges not specifically mentioned herein shall remain the same as those in effect under authority of this Commission prior to the effective date of this Order.

\$17.00

MONTHLY RATE: Residential