COMMONWEALTH OF KENTUCKY

BEFORE THE PUBLIC SERVICE COMMISSION

In the Matter of:

THE APPLICATION OF ROUGH RIVERS

WATER SYSTEM, INC. FOR A RATE

ADJUSTMENT PURSUANT TO THE

ALTERNATIVE RATE FILING PROCEDURE

FOR SMALL UTILITIES

CASE NO. 89-207

ORDER

On July 26, 1989, Rough Rivers Water System, Inc. ("Rough Rivers") filed an application for a rate increase pursuant to the Alternative Rate Filing Procedure for Small Utilities and has requested that 1987 be used as the test year.

Rough Rivers previously filed an application for a rate increase on October 3, 1988. The test year for that case was 1987. Because of inaccurate customer readings of the meters for most of that year, the distribution of water usage for the period January to August of 1987 had to be estimated.

The Commission is of the opinion and finds that due to the possible inaccuracy of the usage information from Rough Rivers' 1987 records, the test year to be used in this case should be 1988.

Case No. 10399, The Application of Rough Rivers Water System, Inc. for a Rate Adjustment Pursuant to the Alternative Rate Filing Procedure for Small Utilities.

Rough Rivers' personnel began reading the meters in September 1987.

BE IT SO ORDERED.

Done at Frankfort, Kentucky, this 31st day of August, 1989.

PUBLIC SERVICE COMMISSION

Chairman Laur

Thurs / Willis

ATTEST: