

COMMONWEALTH OF KENTUCKY
BEFORE THE PUBLIC SERVICE COMMISSION

In the Matter of:

THE APPLICATION OF MULBERRY ENTERPRISES,)
INC. FOR AN ADJUSTMENT OF RATES PURSUANT) CASE NO. 95-515
TO THE ALTERNATIVE RATE FILING PROCEDURE)
FOR SMALL UTILITIES)

O R D E R

On November 14, 1995, Mulberry Enterprises, Inc. ("Mulberry") filed its application for Commission approval of proposed sewer rates. The proposed rates would generate additional annual revenues of approximately \$18,557, an increase of 54.7 percent over test-year revenues.

Commission Staff performed a limited financial review of Mulberry's test-period financial records. Based upon this review, Commission Staff issued its report on February 12, 1996 recommending that Mulberry be allowed to increase its annual operating revenues from sewer service rates by \$18,505.

By Order dated February 12, 1996, the Commission advised all parties that comments regarding the Staff Report or requests for a public hearing must be submitted no later than February 27, 1996 or the case would stand submitted to the Commission for a decision.

On February 21, 1996, Raymond P. Solomon, an intervenor, filed comments in opposition to the Staff Report recommendations and

requested a hearing. A hearing was, therefore, scheduled for April 18, 1996.

On March 8, 1996, an informal conference was held at the Commission's offices at 730 Schenkel Lane, Frankfort, Kentucky, and on March 15, 1996, Mr. Solomon withdrew his request for a hearing. However, the Commission did not cancel the hearing at that time because other intervenors in this proceeding, who had not been actively involved in this case, had not withdrawn their request for a hearing.

Consequently, the Commission entered an Order on March 21, 1996 that, inter alia, notified all parties that they must file with the Commission any statements expressing their intent to appear at the hearing and to offer evidence in opposition to the proposed rate increase by no later than April 1, 1996 or the case would stand submitted to the Commission for a decision. No statements were filed.

Having considered the evidence of record and being otherwise sufficiently advised, the Commission finds that:

1. The April 18, 1996 hearing should be cancelled.
2. The recommendations and findings contained in the Staff Report are supported by the evidence of record, are reasonable, and are hereby adopted as the findings of the Commission in this proceeding and are incorporated by reference as if fully set out herein.

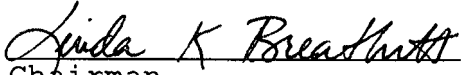
3. The rates in Appendix A, which is attached hereto and incorporated herein, are the fair, just, and reasonable rates for Mulberry and will produce gross annual revenues of \$52,417 from sewer service rates. These rates will allow Mulberry sufficient revenues to meet its operating expenses and service its debt.

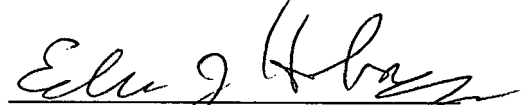
IT IS THEREFORE ORDERED that:

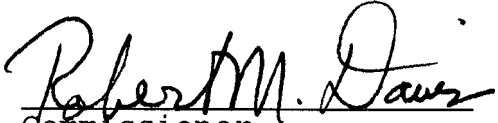
1. The April 18, 1996 hearing is cancelled.
2. The rates proposed by Commission Staff and contained in Appendix A are approved for service rendered by Mulberry on and after the date of this Order.
3. Within 30 days of the date of this Order, Mulberry shall file with the Commission its revised tariff setting out the rates approved herein.

Done at Frankfort, Kentucky, this 24th day of April, 1996.

PUBLIC SERVICE COMMISSION


Chairman


Vice Chairman


Commissioner

ATTEST:


Executive Director

APPENDIX A

APPENDIX TO AN ORDER OF THE KENTUCKY PUBLIC SERVICE
COMMISSION IN CASE NO. 95-515 DATED APRIL 24, 1996

The following rates and charges are prescribed for the customers in the area served by Mulberry Enterprises, Inc. 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.

Monthly Rate

\$22.10