#### COMMONWEALTH OF KENTUCKY

#### BEFORE THE PUBLIC SERVICE COMMISSION

In the Matter of:

THE APPLICATION OF CUNNINGHAM WATER	)
DISTRICT FOR A RATE ADJUSTMENT PURSUANT	) CASE NO
TO THE ALTERNATIVE RATE FILING PROCEDURE	99-320
FOR SMALL UTILITIES	)

## ORDER

On July 29, 1999, Cunningham Water District (Cunningham) filed an application for Commission approval of proposed rates. The proposed rates for water service would generate additional annual revenues of \$2,728, an increase of 15.66 percent above normalized operating revenues.

By Order dated September 14, 1999, the Commission issued a Staff Report that was prepared upon review of Cunningham's test-year operations. Staff's report recommended that Cunningham's requested increase be granted. The Order granted 10 days to file written comments regarding the Staff Report or requests for a hearing or informal conference. No such comments or requests were made.

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

- 1. The recommendations and findings contained in the Staff Report are supported by the evidence of record, are reasonable, and should be adopted as the findings of the Commission.
- 2. The rates in Appendix A will produce annual revenue from water sales of \$20,144.

IT IS THEREFORE ORDERED that:

1. The findings contained in the Staff Report are adopted and incorporated

by reference into this Order as if fully set out herein.

2. The rates in Appendix A are approved for service rendered by

Cunningham on and after the date of this Order.

3. Within 30 days of the date of this Order, Cunningham shall file with the

Commission its revised tariff setting out the rates approved herein.

4. Three years from the date of this Order Cunningham shall file an income

statement, along with any pro forma adjustments, in sufficient detail to demonstrate that

the rates approved herein are sufficient to meet its operating expenses and annual debt

service requirements.

Done at Frankfort, Kentucky, this 20<sup>th</sup> day of October, 1999.

By the Commission

ATTEST:			
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Executive Director			

## APPENDIX A

# APPENDIX TO AN ORDER OF THE KENTUCKY PUBLIC SERVICE COMMISSION IN CASE NO. 99-320 DATED OCTOBER 20, 1999

The following rates and charges are prescribed for the customers in the area served by Cunningham Water District. All other rates and charges not specifically mentioned herein shall remain the same as those in effect under authority of the Commission prior to the effective date of this Order.

## Monthly Water Rates

First	2,000 gallons	\$7.65	Minimum bill
Next	3,000 gallons	2.20	per 1,000 gallons
Over	5,000 gallons	1.80	per 1,000 gallons
Bulk Sa	les	2.00	per 1,000 gallons