

COMMONWEALTH OF KENTUCKY
BEFORE THE PUBLIC SERVICE COMMISSION

In the Matter of:

AN ADJUSTMENT OF RATES OF)
THE NORTH MCLEAN COUNTY) CASE NO. 2001-226
WATER DISTRICT)

O R D E R

On July 18, 2001, North McLean County Water District ("North McLean") filed its application for Commission approval of proposed water rates. The proposed rates would generate additional annual revenues of \$77,584, or 17.65 percent. The proposed rates will increase the average residential monthly bill by \$5.10 or 22.67 percent.

Intervention was requested by, and granted to, the Attorney General of the Commonwealth of Kentucky ("Attorney General"). The Attorney General has not challenged the reasonableness of the proposed rates, nor has he requested discovery or a hearing in this matter.

Commission Staff performed a limited financial review of North McLean's operations, and assisted in the preparation of North McLean's application. Staff, having no changes or additional recommendations with regard to this application, did not prepare a Staff Report.

The Commission, after considering the evidence of record and being otherwise sufficiently advised, finds that the rates proposed by North McLean and attached as Appendix A will produce gross annual water revenues of \$517,148 and are the fair, just,

and reasonable rates for North McLean. These rates will allow North McLean sufficient revenues to meet its operating expenses and service its debt.

IT IS THEREFORE ORDERED that:

1. The rates proposed by North McLean and contained in Appendix A are approved for service rendered by North McLean on and after the date of this Order.

2. Within 30 days of the date of this Order, North McLean shall file with the Commission its revised tariffs setting out the rates approved herein.

3. Three years from the effective date of this Order, North McLean 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 17th day of September, 2001.

By the Commission

ATTEST:


Executive Director

APPENDIX A

APPENDIX TO AN ORDER OF THE KENTUCKY PUBLIC SERVICE COMMISSION IN CASE NO. 2001-226 DATED September 17, 2001

The following rates and charges are prescribed for the customers in the area served by North McLean County 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	\$13.50	Minimum bill
Next	8,000 gallons	4.70	per 1,000 gallons
Next	30,000 gallons	4.19	per 1,000 gallons
Over	40,000 gallons	3.71	per 1,000 gallons