

COMMONWEALTH OF KENTUCKY
BEFORE THE PUBLIC SERVICE COMMISSION

In the Matter of:

AN ADJUSTMENT OF RATES OF THE)	CASE NO.
PENDLETON COUNTY WATER DISTRICT)	2002-00239

ORDER

On July 12, 2002, Pendleton County Water District (Pendleton) filed an application for Commission approval of proposed water rates. The proposed rates for water service would generate additional annual revenues of \$63,513, an increase of 7.97 percent above normalized operating revenues.

By Order dated August 8, 2002, the Commission issued a Staff Report that was prepared upon review of Pendleton s test-year operations. Staff s report recommended that Pendleton 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 \$860,315.

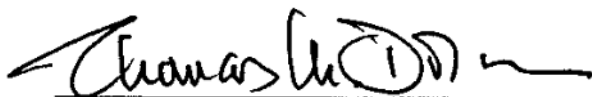
IT IS THEREFORE ORDERED that:

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 Pendleton on and after the date of this Order.
3. Within 30 days of the date of this Order, Pendleton shall file with the Commission its revised tariff setting out the rates approved herein.
4. Three years from the date of this Order Pendleton 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 29th day of August, 2002.

By the Commission

ATTEST:



Executive Director

APPENDIX A

APPENDIX TO AN ORDER OF THE KENTUCKY PUBLIC SERVICE COMMISSION IN CASE NO. 2002-00239 DATED August 29, 2002

The following rates and charges are prescribed for the customers in the area served by Pendleton 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	\$16.33	Minimum Bill
Next	3,000 Gallons	7.46	Per 1,000 Gallons
Next	10,000 Gallons	7.08	Per 1,000 Gallons
Over	15,000 Gallons	6.00	Per 1,000 Gallons

Pendleton County High School

First	125,000 Gallons	\$769.51	Minimum Bill
Over	125,000 Gallons	6.00	Per 1,000 Gallons

Griffin Industries

First	400,000 Gallons	\$2,419.51	Minimum Bill
Over	400,000 Gallons	6.00	Per 1,000 Gallons

City of Butler

First	1,672,917 Gallons	\$3,680.42	Minimum Bill
Over	1,672,917 Gallons	2.20	Per 1,000 Gallons