

COMMONWEALTH OF KENTUCKY
BEFORE THE PUBLIC SERVICE COMMISSION

In the Matter of:

REVISION OF THE WHOLESALE SEWER)
SERVICE RATE CHARGED BY THE UTILITY) CASE NO. 2002-00260
COMMISSION OF THE CITY OF LONDON TO)
WOOD CREEK WATER DISTRICT)

ORDER

On May 7, 2002, the Utility Commission of the city of London (Utility Commission) advised the Commission of its intent to adjust its wholesale rate for sewage treatment services to Wood Creek Water District to \$2.48 per \$1,000 gallons and submitted a tariff sheet that reflected this proposed adjustment. The Utility Commission further advised of the enactment of an ordinance to authorize the Utility Commission to adjust its wholesale sewer rate under certain conditions. The London City Council enacted London Ordinance No. 1010 on June 7, 2002. The Utility Commission filed a copy of this Ordinance with the Commission on June 17, 2002.

We have previously held that no municipal rate adjustment may occur unless the city's legislative body authorizes that adjustment.¹ If the approval of a city's legislative body is necessary for Commission consideration and review of the proposed adjustment, then a municipal utility's filing for rate adjustment, including the filing of rate schedules pursuant to Administrative Regulation 807 KAR 5:011, Section 9, cannot be

¹ See East Logan Water District and North Logan Water District v. City of Russellville, Ky., Case No. 2001-00212 (Ky.PSC July 3, 2002); City of Pikeville, Ky., Case No. 2000-540 (Ky. PSC Oct 8, 2001); Winchester Municipal Utilities, Case No. 96-616 (Ky. PSC Oct 3, 1997).

considered filed until the city legislative body has authorized the proposed rate adjustment.

In the case before us, the Utility Commission submitted its proposed rate adjustment on May 7, 2002. On the tariff sheets that contained the proposed rate, the Utility Commission stated that the proposed rate would become effective on June 15, 2002. Since the London City Council did not authorize the rate until the publication of Ordinance No. 1010 on June 7, 2002, the proposed rate did not properly come before the Commission until that date.² A proposed rate may not become effective until 30 days notice to the Commission. KRS 278.180(1). The Utility Commission's proposed wholesale rate, therefore, may not become effective until July 7, 2002.

IT IS THEREFORE ORDERED that the Utility Commission's proposed wholesale rate for sewage services to Wood Creek Water District is effective for services rendered on and after July 7, 2002.

Done at Frankfort, Kentucky, this 8th day of July, 2002.

By the Commission

ATTEST:



Executive Director

² KRS 83A.060(9) provides that no ordinance shall be effective until published pursuant to KRS Chapter 424.