COMMONWEALTH OF KENTUCKY

BEFORE THE PUBLIC SERVICE COMMISSION

In the Matter of:

THE TARIFF FILING OF THE GRAYSON RURAL)	
LECTRIC COOPERATIVE CORPORATION TO)	CASE NO.
ADD WATER PUMPING SERVICES)	2002-00306

<u>ORDER</u>

On August 12, 2002, Grayson Rural Electric Cooperative Corporation (Grayson) filed a new tariff proposal for the provision of water-pumping services with a proposed effective date of September 5, 2002. The Commission suspended the proposed tariff for 5 months, to February 4, 2003, and opened this case to further investigate the tariff proposal. On September 20, 2002, Commission Staff issued an information request to Grayson, and Grayson responded on October 7, 2002.

Grayson's response adequately addresses the Commission's concerns relating to cost justification for the rates in the proposed tariff and to the wording of the Minimum Monthly Charge portion of the tariff. Grayson agreed to amend the Minimum Monthly Charge language by clarifying that the Minimum Charge will be the greater of the options noted in the tariff.

The Commission, having considered the evidence of record and being otherwise sufficiently advised, finds that Grayson's tariff filing for the provision of Water Pumping Services is reasonable and consistent with the Commission's statutes and regulations and should be approved.

IT IS THEREFORE ORDERED that:

1. Grayson's tariff for Water Pumping Services, as modified in its data response, is effective as of the date of this Order.

2. Within 30 days of the date of this Order, Grayson shall file with this Commission its approved Water Pumping Services tariff showing the date of issue and that it was issued by authority of this Order.

Done at Frankfort, Kentucky, this 25th day of October, 2002.

By the Commission

ATTEST:

Executive Director