COMMONWEALTH OF KENTUCKY

BEFORE THE PUBLIC SERVICE COMMISSION

In the Matter of:

PROPOSED ADJUSTMENT OF THE WHOLESALE) WATER SERVICE RATES OF THE PRINCETON) CASE NO. 2002-00417 WATER AND WASTEWATER COMMISSION)

On October 28, 2002, the city of Princeton (Princeton), through its Water and Wastewater Commission, submitted notice of a proposed adjustment of its rates for wholesale water service effective for service rendered on and after September 1, 2002. In its submittal, it also included a contract for wholesale water service to Caldwell County Water District (Caldwell District) which was executed on October 16, 2002 and which provided for an adjustment in the wholesale water service rate to the same level set forth in Princeton's proposed rate schedules effective November 1, 2002.

KRS 278.180 provides that no change shall be made by any utility in any rate except upon thirty (30) days notice to the commission. Princeton having failed to give sufficient notice to permit either its proposed wholesale rate or the rate provisions of its new contract with Caldwell District within that time period, we find the proposed rates may not become effective on the dates set forth in the notice or contract. We further find that the proposed rates should become effective for <u>service rendered</u> on and after November 27, 2002.

IT IS THEREFORE ORDERED that:

1. Princeton is authorized to assess a wholesale water service rate of \$1.43 per 100 cubic feet of water for wholesale water service rendered on and after November 27, 2002.

2. Within 20 days of the date of this Order, Princeton shall file with this Commission its revised tariff sheet setting out the rate and effective date authorized herein.

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

By the Commission

ATTEST:

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Executive Director