

COMMONWEALTH OF KENTUCKY
BEFORE THE PUBLIC SERVICE COMMISSION

In the Matter of:

THE APPLICATION OF THE TODD)
COUNTY WATER DISTRICT FOR)
APPROVAL OF A PROPOSED INCREASE) CASE NO. 2003-00088
IN RATES FOR WATER SERVICE)

O R D E R

On June 6, 2003, Todd County Water District (Todd County) filed its application for Commission approval of its proposed water rates. Todd County proposed to increase its rates to produce additional revenues of \$342,324, an increase of 36.11 percent over normalized revenue from water sales of \$947,831. For a customer using 5,000 gallons of water per month, the average bill would increase from \$34.82 to \$46.04, an increase of 32.2 percent.

By Order dated July 17, 2003, the Commission issued a Staff Report that was prepared upon review of Todd County's test-year operations. Staff's report recommended that the 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 service of \$1,290,155.

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 Todd County on and after the date of this Order.

3. Within 30 days of the date of this Order, Todd County shall file with the Commission its revised tariff setting out the rates approved herein.

4. Three years from the effective date of this Order, Todd County 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 1st day of August, 2003.

By the Commission

ATTEST:


Executive Director

APPENDIX A

APPENDIX TO AN ORDER OF THE KENTUCKY PUBLIC SERVICE COMMISSION IN CASE NO. 2003-00088 DATED AUGUST 1, 2003

The following rates and charges are prescribed for the customers in the area served by Todd 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	\$17.90	Minimum Bill
Next	8,000	gallons	9.38	per 1,000 gallons
Next	10,000	gallons	8.35	per 1,000 gallons
Next	20,000	gallons	7.33	per 1,000 gallons
Over	40,000	gallons	5.89	per 1,000 gallons