

COMMONWEALTH OF KENTUCKY
BEFORE THE PUBLIC SERVICE COMMISSION

In the Matter of:

APPLICATION OF LEDBETTER WATER)	
DISTRICT FOR AN ADJUSTMENT OF)	CASE NO.
RATES PURSUANT TO THE ALTERNATIVE)	2003-00237
RATE FILING PROCEDURE FOR SMALL)	
UTILITIES)	

O R D E R

On July 15, 2003, Ledbetter Water District (Ledbetter) filed its application for Commission approval of its proposed water rates. Ledbetter proposed to increase its rates to produce additional revenues of \$50,046, an increase of 16.5 percent over normalized revenues of \$303,422.

By Order dated August 20, 2003, the Commission issued a Staff Report that was prepared upon review of Ledbetter 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. By letter dated August 22, 2003, the Office of the Attorney General indicated that it had no objection to the submission of the case for a decision based upon the current record.

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 \$353,468.

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 Ledbetter on and after the date of this Order.

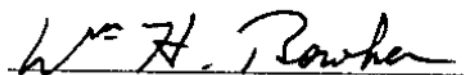
3. Within 30 days of the date of this Order, Ledbetter shall file with the Commission its revised tariff setting out the rates approved herein.

4. Three years from the effective date of this Order, Ledbetter 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 16th day of September, 2003.

By the Commission

ATTEST:


Deputy Executive Director

APPENDIX A

APPENDIX TO AN ORDER OF THE KENTUCKY PUBLIC SERVICE COMMISSION IN CASE NO. 2003-00237 DATED September 16, 2003

The following rates and charges are prescribed for the customers in the area served by Ledbetter 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

Customer Charge	\$5.42 per Month
First 25,000 Gallons	\$4.42 per 1,000 Gallons
Over 25,000 Gallons	\$2.98 per 1,000 Gallons