

COMMONWEALTH OF KENTUCKY
BEFORE THE PUBLIC SERVICE COMMISSION

In the Matter of:

AN ADJUSTMENT OF RATES OF JUDY)	CASE NO.
WATER ASSOCIATION, INC.)	2003-00249

O R D E R

On June 26, 2003, Judy Water Association, Inc. ("Judy") filed its application for Commission approval of proposed water rates. The proposed rates would generate additional annual revenues of \$104,499, an 18.72 percent increase in annual sales of water and increase the average residential monthly bill by \$6.62, or 20.69 percent.

Upon request, intervention was granted to the Attorney General of the Commonwealth of Kentucky (Attorney General). On August 14, 2003, the Attorney General filed interrogatories to be answered by Judy. Judy filed its response on August 20, 2003.

Commission Staff performed a limited financial review of Judy s operations and prepared a Staff Report that was issued on August 20, 2003. Staff s report recommended that the Commission approve the rates requested in Judy s application. The Order issuing the report granted all parties 10 days to comment or request an informal conference or hearing. On August 20, 2003, the Attorney General s office filed a statement that it would not request an informal conference or hearing and had no objection to the submission of the case for a decision based upon the current record. No other comments or requests were received.

The Commission, after considering the evidence of record and being otherwise sufficiently advised, finds that the rates proposed by Judy and attached as Appendix A will produce gross annual water revenues from sales of water of \$662,640 and are the fair, just, and reasonable rates for Judy. These rates will allow Judy sufficient revenues to meet its operating expenses and service its debt.

IT IS THEREFORE ORDERED that:

1. The rates proposed by Judy and contained in Appendix A are approved for service rendered by Judy on and after the date of this Order.
2. Within 30 days of the date of this Order, Judy shall file with the Commission its revised tariffs setting out the rates approved herein.
3. Three years from the effective date of this Order, Judy 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 9th day of September, 2003.

By the Commission

ATTEST:


Executive Director

APPENDIX A

APPENDIX TO AN ORDER OF THE KENTUCKY PUBLIC SERVICE COMMISSION IN CASE NO. 2003-00249 DATED September 9, 2003

The following rates and charges are prescribed for the customers in the area served by Judy Water Association, Inc. 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	1,000 gallons	\$11.22	Minimum bill
Next	4,000 gallons	6.85	per 1,000 gallons
Next	5,000 gallons	5.95	per 1,000 gallons
Over	10,000 gallons	5.05	per 1,000 gallons